

Hi Pro Inc.

# Employee Handbook



10/31/2022

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## **ABOUT THIS HANDBOOK/DISCLAIMER**

We prepared this handbook to help employees find the answers to many questions that they may have regarding their employment with Hi Pro Inc. Please take the necessary time to read it.

We do not expect this handbook to answer all the questions. Supervisors and Human Resources also serve as a major source of information.

Neither this handbook nor any other verbal or written communication by a management representative is, nor should it be considered to be, an agreement, contract of employment, express or implied, or a promise of treatment in any particular manner in any given situation, nor does it confer any contractual rights whatsoever. Hi Pro Inc. adheres to the policy of employment at will, which permits Hi Pro Inc. or the employee to end the employment relationship at any time, for any reason, with or without cause or notice.

No Hi Pro Inc. representative other than the CEO and/or the Head of Human Resources and/or the Vice President may modify at-will status and/or provide any special arrangement concerning terms or conditions of employment in an individual case or generally and any such modification must be in writing and signed.

Many matters covered by this handbook, such as benefit plan descriptions, are also described in separate Hi Pro Inc. documents. These Hi Pro Inc. documents are always controlling over any statement made in this handbook or by any member of management.

This handbook states only general Hi Pro Inc. guidelines. Hi Pro Inc. may, at any time, in its sole discretion, modify or vary from anything stated in this handbook, with or without notice, except for the rights of the parties to end employment at will, which may only be modified by an express written agreement signed by the employee and the CEO and/or the Head of Human Resources and/or the Vice President.

This handbook supersedes all prior handbooks.

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## Section 1 - Governing Principles Of Employment

### 1-1. Introduction



Welcome to Hi Pro!

We are so pleased you've decided to join us. We believe your personality and values align with the aspects of our culture we hold most dear. We can't wait to share more of our culture with you as we get to know you better. Some of those values are:

- **Safety:** We value yours and the community's safety above all else. Everyone deserves to return home each day safe and sound. Safety is always more important than production.
- **Fidelity:** Our community is counting on us, and we are counting on you. You will be delivering important communications, finances, medicines, and supplies to your neighbors and local community's businesses.
- **Integrity:** Be honest. Do what you say and say what is true.
- **Spirit of Service:** We are here to serve. Serve our clients, team members, and the community.
- **Honor:** Do the right thing for the right reasons.
- **Courage:** Have the fortitude to be honorable when it is difficult to do so.
- **Initiative:** You will have the opportunity to assess and initiate solutions independently of any immediate supervision, and we hope you take pride in your autonomous position.

We anticipate the pride you will feel in belonging to a community with a history of servicing the American public since 1775. We hope you are ready for the challenge of being a part of our culture and community, which is the backbone of the American logistics system.

We look forward in assisting you to accomplish your dreams and goals, while working with us to achieve ours.

Sincerely,

A handwritten signature in black ink that reads "Joshua Stoneback". The signature is fluid and cursive, with the first letters of each word being capitalized and prominent.

Joshua Stoneback, CEO



## 1-2. Mission And Values

Hi Pro Inc strongly believes in building a better community with the help of our employees.

### **Mission Statement:**

Reliably delivering happiness by faithfully serving our community.

### **Vision Statement:**

Be a company which requires no recruiting while delivering a product which requires no advertising.

### **Values:**

- **Safety:** Shielding our employees and public from danger or harm
- **Fidelity:** Faithfulness to our employees, clients, and community
- **Integrity:** Be honest and have strong moral principles
- **Spirit of Service:** Dedication and commitment to our mission
- **Honor:** To have high respect and great esteem for our community
- **Courage:** Strength to persevere, and withstand fear or difficulty
- **Initiative:** The power or opportunity to act or take charge before others do.

## 1-3. Equal Employment Opportunity

Hi Pro Inc. is an Equal Opportunity Employer that does not discriminate on the basis of actual or perceived race, color, creed, religion, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, genetic information, or any other characteristic protected by applicable federal, state or local laws and ordinances. Hi Pro Inc.'s management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities, access to facilities and programs and general treatment during employment.

Hi Pro Inc. will endeavor to make a reasonable accommodation of an otherwise qualified applicant or employee related to an individual's: physical or mental disability; sincerely held religious beliefs and practices; and/or any other reason required by applicable law, unless doing so would impose an undue hardship upon Hi Pro Inc.'s business operations.

Any applicant or employee who needs accommodation in order to perform the essential functions of the job should contact the Head of Human Resources to request such accommodation. The individual should specify what accommodation is needed to perform the job and submit supporting documentation explaining the basis for the requested accommodation, to the extent permitted and in accordance with applicable law. Hi Pro Inc. then will review and analyze the request, including engaging in an interactive process with the employee or applicant, to identify if such an accommodation can be made. Hi Pro Inc. will evaluate requested accommodations, and as appropriate, identify other possible accommodations, if any. The individual will be notified of Hi Pro Inc.'s decision regarding the request within a reasonable period. Hi Pro Inc. treats all medical information submitted as part of the accommodation process in a confidential manner.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the Head of Human Resources. Hi Pro Inc. will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. If employees feel they have been subjected to any such retaliation, they should contact the Head of Human Resources. To ensure our workplace is free of artificial barriers, violation of this policy, including any improper retaliatory conduct, will lead to discipline, up to and including discharge. All employees must cooperate with all investigations conducted pursuant to this policy.

## 1-4. Non-Harassment

It is Hi Pro Inc.'s policy to prohibit intentional and unintentional harassment of or against job applicants, contractors, interns, volunteers or employees by another employee, supervisor, vendor, customer or any third party on the basis of actual or perceived race, color, creed, religion, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, genetic information or any other characteristic protected by applicable federal, state or local laws (referred to as "protected characteristics"). Such conduct will not be tolerated by Hi Pro Inc.

The purpose of this policy is not to regulate our employees' personal morality, but to ensure that no one harasses another individual in the workplace, including while on Hi Pro Inc. premises, while on Hi Pro Inc. business (whether or not on Hi Pro Inc. premises) or while representing Hi Pro Inc. In addition to being a violation of this policy, harassment or retaliation based on any protected characteristic as defined by applicable federal, state, or local laws is also unlawful. For example, sexual harassment and retaliation against an individual because the individual filed a complaint of sexual harassment or because an individual aided, assisted or testified in an investigation or proceeding involving a complaint of sexual harassment as defined by applicable federal, state, or local laws are unlawful.

### Harassment Defined

Harassment generally is defined in this policy as unwelcome verbal, visual or physical conduct that denigrates or shows hostility or aversion towards an individual because of any actual or perceived protected characteristic or has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), visual (including offensive posters, symbols, cartoons, drawings, computer displays, text messages, social media posts or e-mails) or physical conduct (including physically threatening another, blocking someone's way, etc.). Such conduct violates this policy, even if it does not rise to the level of a violation of applicable federal, state or local laws. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a manner consistent with the intended purpose of this policy.

### Sexual Harassment Defined

Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities and other verbal, visual or physical conduct of a sexual nature when:

- submission to that conduct or those advances or requests is made either explicitly or implicitly as a term or condition of an individual's employment; or
- submission to or rejection of conduct or advances or requests by an individual is used as the basis for employment decisions affecting the individual; or
- the conduct or advances or requests have the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Examples of conduct that violates this policy include:

1. unwelcome flirtations, leering, whistling, touching, pinching, assault, blocking normal movement;
2. requests for sexual favors or demands for sexual favors in exchange for favorable treatment;
3. obscene or vulgar gestures, posters or comments;
4. sexual jokes or comments about a person's body, sexual prowess or sexual deficiencies;
5. propositions or suggestive or insulting comments of a sexual nature;
6. derogatory cartoons, posters and drawings;
7. sexually-explicit e-mails, text messages or voicemails;
8. uninvited touching of a sexual nature;
9. unwelcome sexually-related comments;
10. conversation about one's own or someone else's sex life;
11. conduct or comments consistently targeted at only one gender, even if the content is not sexual; and

12. teasing or other conduct directed toward a person because of the person's gender.

### **Reporting Procedures**

If the employee has been subjected to or witnessed conduct which violates this policy, the employee should immediately report the matter to any member of management. If the employee is unable for any reason to contact this person, or if the employee has not received an initial response within five (5) business days after reporting any incident of what the employee perceives to be harassment, the employee should contact the Head of Human Resources. If the person toward whom the complaint is directed is one of the individuals indicated above, the employee should contact any higher-level manager in the reporting hierarchy.

### **Investigation Procedures**

Every report of perceived harassment will be fully investigated, and corrective action will be taken where appropriate. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. All employees must cooperate with all investigations conducted pursuant to this policy.

### **Retaliation Prohibited**

In addition, Hi Pro Inc. will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. If the employee has been subjected to any such retaliation, the employee should report it in the same manner in which the employee would report a claim of perceived harassment under this policy.

Violation of this policy including any improper retaliatory conduct will result in disciplinary action, up to and including termination.

## 1-5. Drug-Free And Alcohol-Free Workplace

To help ensure a safe, healthy and productive work environment for our employees and others, to protect Hi Pro Inc. property, and to ensure efficient operations, Hi Pro Inc. has adopted a policy of maintaining a workplace free of drugs and alcohol. This policy applies to all employees and other individuals who perform work for Hi Pro Inc.

The unlawful or unauthorized use, abuse, solicitation, theft, possession, transfer, purchase, sale or distribution of controlled substances, drug paraphernalia or alcohol by an individual anywhere on Hi Pro Inc. premises, while on Hi Pro Inc. business (whether or not on Hi Pro Inc. premises) or while representing Hi Pro Inc., is strictly prohibited. Employees and other individuals who work for Hi Pro Inc. also are prohibited from reporting to work or working while they are using or under the influence of alcohol or any controlled substances, which may impact the employee's ability to perform their job or otherwise pose safety concerns, except when the use is pursuant to a licensed medical practitioner's instructions and the licensed medical practitioner authorized the employee or individual to report to work. However, this exception does not extend any right to report to work under the influence of medical marijuana or to use medical marijuana as a defense to a positive drug test, to the extent the employee is subject to any drug testing requirement, except as permitted by and in accordance with applicable law.

Violation of this policy will result in disciplinary action, up to and including discharge.

Hi Pro Inc. maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist individuals recovering from substance and alcohol dependencies, and those who have a medical history which reflects treatment for substance abuse conditions. However, employees may not request an accommodation to avoid discipline for a policy violation. We encourage employees to seek assistance before their substance abuse or alcohol misuse renders them unable to perform the essential functions of their jobs, or jeopardizes the health and safety of any Hi Pro Inc. employee, including themselves.

Employees must notify Hi Pro Inc. within five calendar days if they are convicted of a criminal drug violation in the workplace. Within ten (10) days of such notification or other actual notice, Hi Pro Inc. will advise the contracting agency of such conviction.

All employees are hereby advised that full compliance with the foregoing policy shall be a condition of employment at Hi Pro Inc.

Any employee who violates the foregoing drug-free workplace policy described above shall be subject to discipline up to and including immediate discharge.

In the discretion of Hi Pro Inc., any employee who violates the drug-free workplace policy may be required, in connection with or in lieu of disciplinary sanctions, to participate to Hi Pro Inc.'s satisfaction in an approved drug assistance or rehabilitation program.

In order to maintain a drug-free workplace, Hi Pro Inc. has established a drug-free awareness program to educate employees on the dangers of drug abuse in the workplace, our drug-free workplace policy, the availability of any drug-free counseling, rehabilitation and employee assistance programs and the penalties that may be imposed for violations of our drug-free workplace policy. (Such education may include: (1) distribution of our drug-free workplace policy at the employment interview; (2) a discussion of our policy at the new employee orientation session; (3) distribution of a list of approved drug assistance agencies, organizations and clinics; (4) distribution of published educational materials regarding the dangers of drug abuse; (5) reorientation of all involved employees in cases in which a drug-related accident or incident occurs; (6) inclusion of the policy in employee handbooks and any other personnel policy publications; (7) lectures or training by local drug abuse assistance experts; (8) discussion by Hi Pro Inc.'s safety experts on the hazards associated with drug abuse; and (9) video tape presentations on the hazards of drug abuse.)

## 1-6. Workplace Violence

Hi Pro Inc. is strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and damage to Hi Pro Inc. and personal property.

Hi Pro Inc. does not expect employees to become experts in psychology or to physically subdue a threatening or violent individual. Indeed, Hi Pro Inc. specifically discourages employees from engaging in any physical confrontation with a violent or potentially violent individual. However, Hi Pro Inc. does expect and encourage employees to exercise reasonable judgment in identifying potentially dangerous situations.

Experts in the mental health profession state that prior to engaging in acts of violence, troubled individuals often exhibit one or more of the following behaviors or signs: over-resentment, anger and hostility; extreme agitation; making ominous threats such as bad things will happen to a particular person, or a catastrophic event will occur; sudden and significant decline in work performance; irresponsible, irrational, intimidating, aggressive or otherwise inappropriate behavior; reacting to questions with an antagonistic or overtly negative attitude; discussing weapons and their use, and/or brandishing weapons in the workplace; overreacting or reacting harshly to changes in Hi Pro Inc. policies and procedures; personality conflicts with co-workers; obsession or preoccupation with a co-worker or supervisor; attempts to sabotage the work or equipment of a co-worker; blaming others for mistakes and circumstances; or demonstrating a propensity to behave and react irrationally.

### **Prohibited Conduct**

Threats, threatening language or any other acts of aggression or violence made toward or by any Hi Pro Inc. employee WILL NOT BE TOLERATED. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, any attempt at intimidating or instilling fear in others, menacing gestures, flashing of weapons, stalking or any other hostile, aggressive, injurious or destructive action undertaken for the purpose of domination or intimidation. To the extent permitted by law, employees and visitors are prohibited from carrying weapons onto Hi Pro Inc. premises.

### **Procedures for Reporting a Threat**

All potentially dangerous situations, including threats by co-workers, should be reported immediately to any member of management with whom the employee feels comfortable. Reports of threats may be maintained confidential to the extent that maintaining confidentiality does not impede Hi Pro Inc.'s ability to investigate and respond to complaints. All threats will be promptly investigated. All employees must cooperate with all investigations. No employee will be subjected to retaliation, intimidation or disciplinary action as a result of reporting a threat in good faith under this policy.

If Hi Pro Inc. determines, after an appropriate good faith investigation, that someone has violated this policy, Hi Pro Inc. will take swift and appropriate corrective action.

If the employee is the recipient of a threat made by an outside party, that employee should follow the steps detailed in this section. It is important for Hi Pro Inc. to be aware of any potential danger in its offices. Indeed, Hi Pro Inc. wants to take effective measures to protect everyone from the threat of a violent act by employees or by anyone else.

## **1-7. Federal Contractors: Pay Transparency**

The contractor will not discharge or in any other manner discriminate against employees or applicants because they have inquired about, discussed or disclosed their own pay or the pay of another employee or applicant. However, employees who have access to the compensation information of other employees or applicants as a part of their essential job functions cannot disclose the pay of other employees or applicants to individuals who do not otherwise have access to compensation information, unless the disclosure is: 1) in response to a formal complaint or charge; 2) in furtherance of an investigation, proceeding, hearing or action, including an investigation conducted by the employer; or 3) consistent with the contractor's legal duty to furnish information.

## Section 2 - Operational Policies

### 2-1. Employee Classifications

For purposes of this handbook, all Hi Pro Inc. employees fall within one of the classifications below.

**Full-Time Employees** - Employees who regularly work at least 31 hours per week who were not hired on a short-term basis.

**Part-Time Employees** - Employees who regularly work fewer than 31 hours per week who were not hired on a short-term basis.

**Short-Term Employees** - Employees who were hired for a specific short-term project, or on a short-term freelance, per diem or temporary basis. Short-Term employees generally are not eligible for Hi Pro Inc. benefits, but are eligible to receive statutory benefits.

In addition to the above classifications, employees are categorized as either "**exempt**" or "**non-exempt**" for purposes of federal and state wage and hour laws. Employees classified as exempt do not receive overtime pay; they generally receive the same weekly salary regardless of hours worked. Such a salary may be paid less frequently than weekly. The employee will be informed of these classifications upon hire and informed of any subsequent changes to the classifications.

### 2-2. Your Employment Records

In order to obtain their position, employees have provided personal information, such as address and telephone number. This information is contained in their personnel file.

Employees should keep their personnel file up to date by informing Human Resources of any changes. Employees also should inform Human Resources of any specialized training or skills they acquire, as well as any changes to any required visas. Unreported changes of address, marital status, etc. can affect withholding tax and benefit coverage. Further, an "out of date" emergency contact or an inability to reach employees in a crisis could cause a severe health or safety risk or other significant problem.



## 2-3. Working Hours And Schedule

Hi Pro Inc. normally is open for business as follows:

Day	From:	To:
Monday	12:00 a.m.	11:59 p.m.
Tuesday	12:00 a.m.	11:59 p.m.
Wednesday	12:00 a.m.	11:59 p.m.
Thursday	12:00 a.m.	11:59 p.m.
Friday	12:00 a.m.	11:59 p.m.
Saturday	12:00 a.m.	11:59 p.m.
Sunday	12:00 a.m.	11:59 p.m.

Hi Pro, Inc. observes the following eleven federal holidays: New Year's Day, Birthday of Martin Luther King, Washington's Birthday, Memorial Day, Juneteenth, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, and Christmas Day. If a driver works a minimum of one day of the week that one of the aforementioned holidays occurs, an average of the hours worked for that week will be calculated and the output will be paid to the driver not to exceed eight (8) hours a holiday. This is for mail-hauling employees.

Administrative employees observe the same holidays as above. Please refer to the yearly Corporate Holiday Calendar for further information.

Non-Mail hauling and temporary employees do not receive holiday pay.

Employees will be assigned a work schedule and will be expected to begin and end work according to the schedule. To accommodate the needs of the business, at some point Hi Pro Inc. may need to change individual work schedules on either a short-term or long-term basis.

Employees will be provided meal and rest periods as required by law. A supervisor will provide further details.

## 2-4. Timekeeping Procedures

Employees must record their actual time worked for payroll and benefit purposes. Non-exempt employees must record the time work begins and ends, as well as the beginning and ending time of any departure from work for any non-work-related reason, on forms as prescribed by management.

Altering, falsifying or tampering with time records is prohibited and subjects the employee to discipline, up to and including discharge.

Exempt employees are required to record their daily work attendance and report full days of absence from work for reasons such as leaves of absence, sick leave or personal business.

Non-exempt employees may not start work until their scheduled starting time.

It is the employee's responsibility to sign time records to certify the accuracy of all time recorded. This includes electronic signatures, sign-on, sign-off, via Samsara or other time-producing systems that Hi Pro Inc uses. Any errors in the time record should be reported immediately to a supervisor, who will attempt to correct legitimate errors.

## 2-5. Administrative Non-Exempt Timekeeping Policy

Accurately recording time worked is the responsibility of every employee. Federal and state laws require Hi Pro Inc. to keep accurate records of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

At Hi Pro Inc., all non-exempt administrative employees are required to use the current time clock system while working remotely and in the offices, to record their hours worked. Non-exempt employees are required to clock in/out for payroll and attendance purposes.

Employees are required to accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. Employees are provided a one half (1/2) hour unpaid meal period when they work eight (8) hours, or when they work fewer than eight hours but more than five (5) hours. If an employee's shift is completed at the end of six (6) hours, the meal period may be waived by mutual consent of the company and the employee. Unpaid meal periods will begin by the end of the fifth hour.

If the employee misses an entry into the timekeeping system, the employee will e-mail HR and copy their supervisor as soon as possible for a correction. HR will manually correct the employee's work hours via the manager's time clock portal. Employees who consistently miss time clock entries will be subject to disciplinary action.

Non-exempt employees are permitted to work overtime with prior authorization from the supervisor. Non-exempt employees who work overtime without prior authorization will be subject to disciplinary procedures.

Employees may not clock in or clock out for another employee.

Employees must clock at their proper location or they will be subject to disciplinary actions including termination.

Supervisors are free to use discretion in disciplinary actions when employees have various, albeit repeated, offenses to the time-keeping policy and/or procedure. This could include situations where employees may have clocked in, but are repeatedly absent from their work station during work hours or have missed time clock entries in addition to working unscheduled overtime, or show low productivity.

### **Working Remotely**

This Timekeeping Policy will cover employees who work remotely, from a location other than our offices, as we want to ensure that both employees and our company will benefit from these arrangements.

To ensure that employee performance will not suffer in remote work arrangements, we advise our remote employees to:

- **Dedicate their full attention to their job duties and be available during normal working hours.**
- Choose a quiet and distraction-free working space.
  
- Have an internet connection that's adequate for their job.
- Adhere to break and attendance schedules agreed upon with their manager.

Employees and managers should determine long-term and short-term goals. They should frequently meet (either online or in-person when possible) to discuss progress and results.

## 2-6. Overtime

Like most successful companies, Hi Pro Inc. experiences periods of extremely high activity. During these busy periods, additional work is required from all of us. Supervisors are responsible for monitoring business activity and requesting overtime work if it is necessary. Effort will be made to provide employees with adequate advance notice in such situations.

**Administrative Personnel:** Any non-exempt employee who works overtime will be compensated at the rate of one and one-half times (1.5) their normal hourly wage for all time worked in excess of 40 hours each week, unless otherwise required by law.

**Employees may work overtime only with prior management authorization.**

For purposes of calculating overtime for non-exempt employees, the workweek begins at 12 a.m. on Sunday and ends 168 hours later at 12 a.m. on the following Sunday.

**Truck Drivers: Truck drivers are exempt from the overtime law, which means they are not entitled to overtime pay.** Under the Motor Carrier Act exemption under the Fair Labor Standards Act Section 13(b)(1), drivers, driver's helpers, loaders, or mechanics whose duties affect the safety of the operation of motor vehicles in interstate commerce are not required to be paid overtime wages. This exemption applies to over-the-road drivers since they transport goods across state lines. The exemption also applies to local truck drivers if the goods that are being transported are part of an interstate shipment.

## 2-7. Travel Time For Non-Exempt Employees

### Administrative Personnel:

#### **Overnight, Out-of-Town Trips**

Non-exempt employees will be compensated for time spent traveling (except for meal periods) during their normal working hours, on days they are scheduled to work and on unscheduled work days (such as weekends). Non-exempt employees will also be paid for any time spent performing job duties during otherwise non-compensable travel time; however, such work should be limited absent advance management authorization.

#### **Out-of-Town Trips for One Day**

Non-exempt employees who travel out of town for a one-day assignment will be paid for all travel time, except for, among other things: time spent traveling between the employee's home and the local railroad, bus or plane terminal; and meal periods.

#### **Local Travel**

Non-exempt employees will be compensated for time spent traveling from one job site to another job site during a workday. The trip home, however, is non-compensable when the employee goes directly home from the final job site, unless it is much longer than the regular commute home from the regular worksite. In such a case, the portion of the trip home in excess of the regular commute is compensable.

#### **Commuting Time**

Under the Portal to Portal Act, travel from home to work and from work to home is generally non-compensable. However, if a non-exempt employee regularly reports to a worksite near their home, but is required to report to a worksite farther away than the regular worksite, the additional time spent traveling is compensable.

If compensable travel time results in more than 40 hours worked by a non-exempt employee, the employee will be compensated at an overtime rate of one and one-half (1-1/2) times the regular rate.

To the extent that applicable state law provides greater benefits, state law applies.

## 2-8. Safe Harbor Policy For Exempt Employees

It is Hi Pro Inc. policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure proper payment and that no improper deductions are made, employees must review pay stubs promptly to identify and report all errors.

Those classified as exempt salaried employees will receive a salary which is intended to compensate them for all hours they may work for Hi Pro Inc. This salary will be established at the time of hire or classification as an exempt employee. While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work performed.

Under federal and state law, salary is subject to certain deductions. For example, unless state law requires otherwise, salary can be reduced for the following reasons:

- full-day absences for personal reasons;
- full-day absences for sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing wage replacement benefits for such absences (deductions also may be made for the exempt employee's full-day absences due to sickness or disability before the employee has qualified for the plan, policy or practice or after the employee has exhausted the leave allowance under the plan);
- full-day disciplinary suspensions for infractions of our written policies and procedures;
- Family and Medical Leave Act absences (either full- or partial-day absences);
- to offset amounts received as payment from the court for jury and witness fees or from the military as military pay;
- the first or last week of employment in the event employee works less than a full week; and
- any full work week in which the employee does not perform any work.

Salary may also be reduced for certain types of deductions such as a portion of health, dental or life insurance premiums; state, federal or local taxes; social security; or voluntary contributions to a 401(k) or pension plan.

In any work week in which the employee performed any work, salary will not be reduced for any of the following reasons:

- partial day absences for personal reasons, sickness or disability;
- an absence because Hi Pro Inc. has decided to close a facility on a scheduled work day;
- absences for jury duty, attendance as a witness, or military leave in any week in which the employee performed any work (subject to any offsets as set forth above); and
- any other deductions prohibited by state or federal law.

However, unless state law provides otherwise, deductions may be made for accrued leave for full- or partial-day absences for personal reasons, sickness or disability.

If employees believe they have been subject to any improper deductions, they should immediately report the matter to a supervisor. If the supervisor is unavailable or if the employee believes it would be inappropriate to contact that person (or if the employee has not received a prompt and fully acceptable reply), they should immediately contact Payroll or any other supervisor in Hi Pro Inc. with whom the employee feels comfortable.

## 2-9. Your Paycheck

Employees will be paid bi-weekly for all the time worked during the past pay period.

Payroll stubs itemize deductions made from gross earnings. By law, Hi Pro Inc. is required to make deductions for Social Security, federal income tax and any other appropriate taxes. These required deductions also may include any court-ordered garnishments. Payroll stubs will also differentiate between regular pay received and overtime pay received.

If there is an error in any employee's pay, the employee should bring the matter to the attention of Payroll immediately, so Hi Pro Inc. can resolve the matter quickly and amicably.

Paychecks will be given only to the employee, unless the employee requests that they be mailed or authorizes in writing that another person may accept the check.

### Paycheck Distribution Policy and Procedure

**Purpose:** The purpose of this policy is to describe payment for employees not enrolled in direct deposit.

**Policy:** Employees not having direct deposit will be issued a paycheck.

**Procedures:** Hi Pro Inc's RESPONSIBILITY ENDS UPON DELIVERY TO US POSTAL SERVICE Paychecks are mailed to the mailing/local address on file for the employee in the Payroll System on the Thursday before pay day via the United States Postal Service (USPS). Hi Pro Inc is not responsible for timely delivery of paychecks once they have been delivered to the USPS or if the mailing/local address in the Payroll System is not current.

**Guidelines:** Direct deposit is the preferred method of payment for employees. All employees of Hi Pro, Inc. are strongly encouraged to have their pay direct deposited into a banking institution of their choice. Lost checks will not be pay-stopped and reissued until two (2) weeks after the actual pay day on which the check was issued. There is a \$25 charge for the stop payment and re-issuance of a lost check, along with a notarized affidavit. \*\*Direct Deposit forms are available on [www.hiproinc.com](http://www.hiproinc.com) under Employee Resources tab.

**Responsibilities:** Employees are responsible for maintaining their current mailing/local address in the Payroll system. \*\*Change of address forms are available on [www.hiproinc.com](http://www.hiproinc.com) under the Employee Resources tab.

## 2-10. Direct Deposit

Hi Pro Inc. strongly encourages employees to use direct deposit. Authorization forms are available from Payroll and on-line at: [www.hiproinc.com/benefits-links](http://www.hiproinc.com/benefits-links)

## 2-11. Salary Advances

Hi Pro Inc. does not permit advances on paychecks or against accrued paid time off. Pay for vacation must be requested in writing at least two weeks prior to the vacation payout.

## 2-12. Performance Review

Depending on the employee's position and classification, Hi Pro Inc. endeavors to review performance annually. However, a positive performance evaluation does not guarantee an increase in salary, a promotion or continued employment. Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions, and demotions, are determined by and at the discretion of management.

In addition to these formal performance evaluations, Hi Pro Inc. encourages employees and supervisors to discuss job performance on a frequent and ongoing basis.

## 2-13. Record Retention

Hi Pro Inc. acknowledges its responsibility to preserve information relating to litigation, audits and investigations. Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against Hi Pro Inc. and its employees and possible disciplinary action against responsible individuals (up to and including discharge of the employee). Each employee has an obligation to contact the Operations Manager to inform them of potential or actual litigation, external audit, investigation or similar proceeding involving Hi Pro Inc. that may have an impact on record retention protocols.

## 2-14. Job Postings

Hi Pro Inc. is dedicated to assisting employees in managing their careers and reaching their professional goals through promotion and transfer opportunities. This policy outlines the on-line job posting program which is in place for all employees. To be eligible to apply for an open position, employees must meet the following requirements:

- be a current, regular, full-time or part-time employee;
- have been in my current position for at least six (6) months;
- maintain a performance rating of satisfactory or above;
- not be on conduct/performance-related probation or warning;
- meet the job qualifications listed on the job posting; and
- provide their current manager with notice prior to applying for the position.

If employees find a position of interest on the job posting website and they meet the eligibility requirements, an online job posting application must be completed in order to be considered for the position. Not all positions are guaranteed to be posted. Hi Pro Inc. reserves the right to seek applicants solely from outside sources or to post positions internally and externally simultaneously.

For more specific information about the program, please contact the Human Resources Department.

## 2-15. Hos Policy

A driver's hours of service are regulated by Federal, State and Local agencies and are part of the Federal Motor Carrier Safety Administration (FMCSA) regulations, specifically contained in 49 CFR Part 395.1 thru 395.15 and the Ontario Highway Transportation Act.

Hi Pro Inc. is strongly committed to being in full compliance with the current Federal Hours of Service (HOS) Regulations. All company operations employees and company-employed drivers are subject to this Hours of Service Log Policy.

All drivers have a working Samsara Unit installed in their vehicle. Each driver is required to Log In and use the Hours of Service (ELOG) portion of the system. If the Samsara system is inoperable, drivers are required to use only the forms provided by Hi Pro Inc. to keep track of their HOS.

Per FMCSA Part 395.3; **§395.3 Maximum driving time for property-carrying vehicles.**

(a) Except as otherwise provided in §395.1, Hi Pro Inc. staff shall not permit or require any driver used by it to drive a property-carrying commercial motor vehicle, nor shall any such driver drive a property-carrying commercial motor vehicle, regardless of the number of motor carriers using the driver's services, unless the driver complies with the following requirements:

(1) Start of work shift. A driver may not drive without first taking 10 consecutive hours off duty, except if using the Sleeper Berth Provision

(2) 14-hour period. A driver may drive only during a period of 14 consecutive hours after coming on duty following 10 consecutive hours off duty. The driver may not drive after the end of the 14-consecutive-hour period without first taking 10 consecutive hours off duty.

(3) Driving time and rest breaks. (i) Driving time. A driver may drive a total of 11 hours during the 14-hour period specified in paragraph (a)(2) of this section.

(ii) Rest breaks. Except for drivers who qualify for either of the short-haul exceptions in §395.1(e)(1) or (2), driving is not permitted if more than 8 hours have passed since the end of the driver's last off-duty or sleeper-berth period of at least 30 minutes.

(b) No motor carrier shall permit or require a driver of a property-carrying commercial motor vehicle to drive, nor shall any driver drive a property-carrying commercial motor vehicle, regardless of the number of motor carriers using the driver's services, for any period after—

(2) Having been on duty 70 hours for any period of 8 consecutive days if the employing motor carrier operates commercial motor vehicles every day of the week.

(c)(1) Any period of 7 consecutive days may end with the beginning of an off-duty period of 34 or more consecutive hours.

(2) Any period of 8 consecutive days may end with the beginning of an off-duty period of 34 or more consecutive hours.

### **Sleeper Berth Provision**

The sleeper berth provision allows drivers to split their 10-hour off-duty period in different ways (e.g., 7/3, 8/2, 7.5/2.5), provided one off-duty period (whether in or out of the sleeper berth) is at least 2 hours long, and the other involves at least 7 consecutive hours spent in the sleeper berth. The periods must add up to 10 hours, and when used together, neither time period counts against the maximum 14-hour driving window.

### **Short-Haul Exception**

**A driver is exempt from the requirements of §395.8 and §395.11 if the driver operates within a 150 air-mile radius of the normal work reporting location, and the driver does not exceed a maximum duty period of 14 hours. Drivers using the short-haul exception in §395.1(e)(1) must report and return to the normal work reporting location within 14 consecutive hours, and stay within a 150 air-mile radius of the work reporting location.**



## **ON-DUTY HOURS**

On-duty time is defined as:

- Inspecting, servicing, or conditioning a commercial vehicle
- Time spent in your vehicle
- Loading or unloading your vehicle
- Repairing, obtaining assistance, or attending to a disabled vehicle
- Performing any other work for a motor carrier
- Complying with drug and alcohol testing requirements
- Performing compensated work for any other employer

### **70 Hours of Service Rule:**

Hi Pro Inc. operates every day of the week, and therefore runs under the 70 hours in 8 day rule. Which means, no driver should drive or be allowed to drive after accumulating 70 hours on-duty time in 8 consecutive days.

### **Adverse Driving Conditions:**

The only rule a driver can use to add time to their driving is for Adverse Driving Conditions.

Adverse Driving Condition is defined in 49 CFR Part 395.2 as when:

As used in this part, the following words and terms are construed to mean:

Adverse driving conditions mean snow, sleet, fog, other adverse weather conditions, a highway covered with snow or ice, or unusual road and traffic conditions, none of which were apparent on the basis of information known to the person dispatching the run at the time it was begun. Example;

- There is sudden weather change of snow, sleet, fog, or other adverse weather conditions;
- The highway is covered with snow or ice ( due to an unexpected storm);
- There is an unusual road and or traffic condition (Road closure due to an accident)

All of these conditions must not be apparent on the basis of information known to the person dispatching the run at the time it was begun. This is referring, but not limited to:

- Weather reports.
- Road construction.
- Known traffic conditions for certain times of the day (rush hour)

Drivers who are dispatched after Hi Pro Inc. has been notified or should have known of adverse driving conditions are not eligible for the two hours additional driving time provided for under 395.1(b), adverse driving conditions.

The term “emergency conditions” shall not be construed as encompassing such situations as a driver’s desire to get home, customers’ demands, shortage of drivers, or mechanical failures.

## Section 3 - Vehicle Policy And Fleet Safety

### 3-1. Policy Statement

Operating a company vehicle is both a privilege and a responsibility. Drivers are responsible for operating the company vehicle according to corporate, local, state, and federal laws.

Specifically, through this Vehicle Policy and Fleet Safety Manual we wish to:

- Establish a Zero (at fault) Accident Goal
- Prevent vehicle accidents and injuries to employees
- Reduce indirect costs associated with accidents
- Minimize insurance costs.

While your safety is our first concern, we also recognize that accidents have a negative effect on our potential for profit. Indirect costs associated with vehicle accidents, and the resulting increases in insurance premiums, are a serious concern. It is our goal to minimize these costs by keeping accidents to a minimum.

Preventing accidents begins with management's commitment. We take this responsibility seriously, and value it equally along with our other business objectives, including meeting product quality, volume standards, and our planned operating expenses.

**You** must also do your part. Through this program, we will provide the leadership and direction that we expect our supervisors and employees to follow. Your attention to making the principles in this Fleet Safety Program an integral part of your day-to-day business operations is imperative!

## 3-2. Driver Selection And Retention

We allow only qualified and appropriately licensed drivers to operate company vehicles. Anyone who drives for company business must comply with the following standards, or be subject to disciplinary action, up to, and including, termination:

1. A minimum of two years of verifiable driving experience with the type of vehicle being driven on the job.
2. An acceptable Motor Vehicle Record Grading Score, as outlined in our Motor Vehicle Record Policy.
3. A valid driver's license issued in the state of current residence, appropriate for the type of vehicle to be driven.
4. A driver's ability to meet all physical health qualifications of the Federal Motor Carrier Safety Regulations (DOT Medical Cert Card).
5. Strict adherence to the rules and regulations outlined in this manual.

Exhibit 75

### Driver Disqualifications

<b>General Disqualifying Factors</b>		
1. Applicant lacks adequate driving experience over the type of terrain and weather to be experienced on the route.		
2. Applicant is not 18 years old and does not have 2 years driving experience.		
3. Applicant has a pending proceeding for suspension of driver's license or has had his or her license suspended for any moving violation within the last 3 years.		
4. Applicant has had his or her driver's license revoked for other than administrative reasons, within the last 5 years.		
5. Applicant has pending driving under the influence (DUI).		
<b>Specific Disqualifying Factors</b>		
<b>Type of Violation</b>	<b>More than the indicated number of convictions within the last:</b>	
	<b>3 years</b>	<b>5 years</b>
Reckless or careless driving.	1	2
Any driving conviction involving use of drugs, alcohol, or other controlled substances.	0 (none permitted)	0 (none permitted)
Any driving conviction involving drugs, alcohol, or other controlled substances while operating a vehicle under Postal Service contract.	0 (none permitted)	0 (none permitted)
At-fault accidents (i.e. accidents for which the driver was convicted of a moving violation).	2 or any at-fault accident resulting in a fatality.	2 or any at-fault accident resulting in a fatality.
Leaving the scene of an accident.	0 (none permitted)	0 (none permitted)
All other moving traffic offenses (includes speeding violations).	3 (or more than 1 in the last year)	5 (or 3 or more for same offense)
<b>Notes:</b>		
For purposes of determining disqualifying violations, the Postal Inspection Service considers only offenses for which there was a conviction, except for pending DUIs.		
Timeframes for disqualification are measured from the date of the offense, not the date of the conviction.		
The "3 years" column applies only if the 5-year driving record is unavailable.		

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### 3-3. Motor Vehicle Record Policy

If your position requires job-related driving, our policy requires you to maintain a motor vehicle record (MVR) that meets or exceeds the grading requirements outlined below.

This MVR policy applies whether you drive a company-owned vehicle or use your own personal vehicle for company business.

We will examine Motor Vehicle Records prior to your start date, and regularly thereafter, and if suspicions exist of non-reported violations. Any job offer made to you as an applicant is contingent upon your MVR meeting our required standards. Your continued employment is also contingent upon maintaining these established standards:

- A valid driver's license, in place for at least two years.
- Minimum age of 21 - for operation of non-CDL required vehicles.
- Minimum age of 21 – for all commercial motor vehicle operators, including semi-tractor trailer operators.
- For all new and existing drivers, an MVR will be reviewed based on the Motor Vehicle Record Grading Criteria.
- Driving records must remain acceptable as defined by the MVR Grading Criteria for continued employment in positions with driving duties.

### 3-4. Motor Vehicle Record Grading Criteria (Prior Three Year Period)

## Motor Vehicle Record Grading Criteria (Prior Three Year Period)

### Major Violations

(Drivers with the following violations on their MVR may be excluded from driving privileges)

- Excessive Speeding – 15 mph or more over the posted speed limit
- Any DUI, DWI, BAC, Controlled Substance or open container convictions in the last 5-years
- Failure to stop/report an accident
- Racing or Exhibition driving
- Careless/Reckless/Imprudent driving
- Making a false accident report
- Vehicular homicide, manslaughter or assault resulting from a vehicle related incident
- Attempting to elude an police officer
- Any suspension or revocation in the last 3-years
- 3 or more moving violations in the last 3-years
- 2 or more moving violations in the last year

### Minor Violations

Any minor violation other than a major except:

- Speeding – (14 mph or less than the posted speed limit)
- Motor vehicle equipment, load or size requirement
- Improper/failure to display license plate
- Failure to sign or display registration
- Failure to have driver's license in possession (if a valid license exists)

NOTE:

2 or more minor moving violations in the last year is considered unacceptable.

3 or more moving violations in the last three-years is considered unacceptable.

### 3-5. Vehicle Usage Policy - Company Owned Vehicles

Hi Pro Inc. vehicles are provided for business purposes. Personal use is a privilege and extended only to authorized employees. The company may withdraw this privilege at any time, without notice. The following rules apply to the use of company vehicles:

1. Only an authorized Hi Pro Inc. employee in keeping with Hi Pro Inc. Motor Vehicle Record Grading Criteria may drive company vehicles. **ABSOLUTELY NO EXCEPTIONS.** No other family member or any other drivers are permitted to operate company vehicles, unless previously approved in writing by company management.
2. Drivers are prohibited from using a company vehicle to push or tow another vehicle.
3. Drivers and passengers must use safety belts at all times – there are NO exceptions.
4. Drivers must never operate any company vehicle while under the influence of alcohol, a controlled substance, or medication that warns against safely operating any motor vehicle or machinery.
5. Drivers must not allow occupants to possess, transport, or consume alcohol, illegal drugs or firearms in the company vehicle at any time.
6. Company Vehicles are not to be used for personal use unless authorized in writing by upper Management in advance.

Any exception to these rules requires advance approval, in writing, by Management. Violation of these rules will result in disciplinary action, up to and including termination of employment.

## 3-6. Personal And Rental Vehicles Used For Company Business

When an employee uses their personal vehicle while on company business, the company is potentially exposed to liability in the event of an accident. To control this exposure, a personal vehicle use policy has been established. This policy applies to employees who drive their personally owned, leased, or borrowed vehicles for company business. In these situations, employees must submit annual proof of insurance coverage for the vehicle(s) used for company business.

The policy should read as follows:

The driver is required to carry a minimum of \$500,000 (split) in liability limits on their vehicle. The company does not specify and assumes no responsibility for other coverage if an employee elects to purchase personally owned vehicles.

- The personal vehicle must meet or exceed all applicable local, state, and federal guidelines for safety.
- Hi Pro Inc. assumes no responsibility for any loss or damage to the employee's personally owned, leased, or borrowed vehicle, or for any loss or damage to the employee's personal property while driving on company business. Employees must obtain coverage for these exposures from their insurance agent.
- Hi Pro Inc. maintains the right to grant exceptions to this policy for special or extraordinary circumstances.
- The company may request an "additional named insured" endorsement.

### **Rental Vehicles Used for Company Business**

When entering a contract for a rental vehicle, employees agree to abide by all rental contract provisions and restrictions. Check with your Fleet Manager or other authorized person to determine if additional insurance coverage is needed.

The driver and all passengers must also wear seat belts and shoulder restraints whenever operating or occupying the rental vehicle.

The driver will follow all policies as set forth by the Company Fleet and Safety Manual.



## 3-7. Vehicle Maintenance And Inspection Procedures

The DOT requires each regulated company to: **“Systematically inspect, repair and maintain all vehicles under their control.”** This should be the guidelines for all vehicles.

All maintenance records must be retained for each vehicle, and for a minimum of 18 months following the sale of the vehicle.

You are expected to report any unsafe mechanical conditions **immediately** and agree to never operate a vehicle that is unsafe to drive.

ALWAYS observe loading limitations.

Check the oil and tire pressure during Pre and Post trips. Report worn tires to your supervisor to have them replaced as needed.

Check bulbs on turn signals, taillights, windshield wipers and headlights during Pre and Post trips. Report any non-working lights to your supervisor immediately for replacement.

Check the horn during Pre-trip.

Adjust your mirrors during your Pre-trip.

Make sure the vehicle is equipped with proper emergency equipment and ready for use during your Pre-trip

Check the structure of your vehicle during Pre and Post trips for any damaged panels, doors, etc. Report damages to your supervisor immediately, so they can assess and schedule for repair.

Windows and mirrors should be kept clean on a regular basis. Report any cracked or broken glass to your supervisor immediately. Failure to do so will result in a write-up.

DVIRs (Driver Vehicle Inspection Reports) must be completed during Pre-trip (before the operation of a vehicle) every day. These are to be recorded on the SAMSARA ELD. Failure to do so could result in a write-up.

DVIRs (Driver Vehicle Inspection Reports) must be completed during Post-trip (after the operation of a vehicle) every day. These are to be recorded on the SAMSARA ELD. Failure to do so could result in a write-up.

Vehicles should be kept clean. Remove all trash and personal items from the vehicle at the end of your shift. Failure to do so could result in a write-up.

## Driver's Vehicle Inspection Report

Check Any Defective Item and Give Details Under "Remarks."

DATE: \_\_\_\_\_

TRUCK/TRACTOR NO. \_\_\_\_\_

- |   |  |  |
|---|--|--|
| <input type="checkbox"/> Air Compressor<br><input type="checkbox"/> Air Lines<br><input type="checkbox"/> Battery<br><input type="checkbox"/> Brake Accessories<br><input type="checkbox"/> Brakes<br><input type="checkbox"/> Carburetor<br><input type="checkbox"/> Clutch<br><input type="checkbox"/> Defroster<br><input type="checkbox"/> Drive Line<br><input type="checkbox"/> Engine<br><input type="checkbox"/> Fifth Wheel<br><input type="checkbox"/> Front Axle<br><input type="checkbox"/> Fuel Tanks<br><input type="checkbox"/> Heater | <input type="checkbox"/> Horn<br><input type="checkbox"/> Lights<br>Head - Stop<br>Tail - Dash<br>Turn Indicators<br><input type="checkbox"/> Mirrors<br><input type="checkbox"/> Muffler<br><input type="checkbox"/> Oil Pressure<br><input type="checkbox"/> On-Board Recorder<br><input type="checkbox"/> Radiator<br><input type="checkbox"/> Rear End<br><input type="checkbox"/> Reflectors<br><input type="checkbox"/> Safety Equipment<br>Fire Extinguisher<br>Flags-Flares-Fusees<br>Spare Bulbs & Fuses<br>Spare Seal Beam | <input type="checkbox"/> Springs<br><input type="checkbox"/> Starter<br><input type="checkbox"/> Steering<br><input type="checkbox"/> Tachograph<br><input type="checkbox"/> Tires<br><input type="checkbox"/> Transmission<br><input type="checkbox"/> Wheels<br><input type="checkbox"/> Windows<br><input type="checkbox"/> Windshield Wipers<br><input type="checkbox"/> Other |
|---|--|--|

TRAILER(S) NO.(S) \_\_\_\_\_

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> Brake Connections<br><input type="checkbox"/> Brakes<br><input type="checkbox"/> Coupling Chains<br><input type="checkbox"/> Coupling (King) Pin<br><input type="checkbox"/> Doors | <input type="checkbox"/> Hitch<br><input type="checkbox"/> Landing Gear<br><input type="checkbox"/> Lights - All<br><input type="checkbox"/> Roof<br><input type="checkbox"/> Springs | <input type="checkbox"/> Tarpaulin<br><input type="checkbox"/> Tires<br><input type="checkbox"/> Wheels<br><input type="checkbox"/> Other |
|---|---|---|

Remarks: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### 3-8. Driver Responsibilities – Company Vehicles

You are responsible for the care and use of a company vehicle in your possession. These responsibilities include, but are not limited to:

- Obeying all the traffic laws.
- Attention to, and the practice of safe, driving techniques and adherence to existing safety requirements outlined in this manual.
- The mandatory use of seat belts and shoulder harness for yourself and passengers.
- Operating the vehicle in a manner consistent with reasonable practices, to avoid abuse, theft, neglect, or disrespect of the equipment.
- Restricting the use of vehicles by authorized driver(s) only.
- Accurate, comprehensive, and timely reporting of all vehicle thefts and/or accidents involving an authorized driver to Management.
- Reporting all moving violations within 24 hours of the violation to your supervisor and [Safety@hiproinc.com](mailto:Safety@hiproinc.com)
- Adhering to manufacturer's recommendations regarding service, maintenance, and inspection. Report any defect that would prevent a safe operation.

**ANY TAMPERING WITH COMPANY EQUIPMENT, such as SAMSARA, dash cameras, etc., are grounds for IMMEDIATE TERMINATION!**

Failure to comply with any of these responsibilities will result in disciplinary action, up to, and including, termination.

### 3-9. Driving Practices

All employees are expected to drive in a safe, professional manner, at all times. You should follow these basic/fundamental safe driving procedures:

#### Speed and Following Distances:

1. Most rear-end accidents occur when the trailing vehicle is following too close or driving at excessive speeds. Always maintain at least a two to four second interval between your vehicle and the vehicle in front of you. Increase your following distance if your vehicle's length or load requires additional stopping distance, or when weather and reduced visibility conditions warrant it.
2. When driving in inclement weather, allow for additional spacing between your vehicle and the vehicle in front of you. Reduce your speed.
3. HOW MUCH SPACE is needed for large trucks or Commercial Motor Vehicles? There are two rules for large trucks and commercial motor vehicles:
  - Less than 40 mph Rule
  - **Greater than 40 mph Rule**

a. The general rule when traveling **less than 40 mph** is to maintain at least one second for each 10-ft of vehicle length.

For example:



b. The general rule when traveling at speeds **greater than 40 mph** is to maintain at least one second for each 10-ft of vehicle length **plus (+) 1 second**.

For example:



60' Vehicle (Traveling at >40 mph)

----- +1 = 7 Seconds/ following distance  
10 sec's

4. Drive at or below the posted speed limit; never exceed posted limits. Also remember, exceeding the speed limit while passing is against the law. Always view safety as your top priority.
5. Comply with "advisory" speed limits posted at construction sites, or other areas. Over the last eleven years, the number of persons killed in motor vehicle accidents in work zones has dramatically increased.

#### Proper Lane Changing Techniques:

1. When making a lane change, always check for vehicles approaching or driving within the intended lane.
2. Always signal before making a lane change.
3. Do not rely on mirrors alone to detect vehicles that may be traveling in your blind spot. Glance over your shoulder to check blind spots before making a lane change. Failure to do so is the primary cause of lane change accidents.
4. Adjust the rearview and side view mirrors before starting your trip.

#### **Intersections:**

1. Drive defensively and always reduce speed when approaching intersections, even if you have the right of way or a green signal light. Many accidents occur when another driver runs a red light or a stop sign.
2. Do not immediately proceed into the intersection after the traffic signal turns green. Look both ways before entering, even when you have the right-of-way. Confirm that all crossing traffic has come to a complete stop.
3. When two vehicles approach a four-way stop simultaneously, the automobile to the left is expected to yield the right-of-way. Use hand signals to verify the right-of-way of the other driver, when needed. Exercise patience.
4. If you observe a vehicle following too closely behind you as you approach an intersection, tap your brake three to four times to signal your intention to stop. This maneuver may prevent a rear-end collision.
5. Never assume a signaling driver will turn when you expect it.

#### **Backing Procedures:**

1. When possible, avoid driving maneuvers that will later require backing. When backing up is necessary, always walk around your vehicle before proceeding, to ensure your path is clear of obstructions. Never assume your path is clear. Do not depend solely on rear view and side mirrors to detect obstructions.
2. Try to always “back up to the driver’s side”.

#### **Turning Techniques:**

1. Plan your turns ahead by signaling. Proceed into the turning lane at least 200 feet ahead of the intersection. Accidents often occur when a driver turns at the last minute.
2. Signal your intention ahead of the turn. Most state laws require a driver to signal at least one hundred feet before making a turn.
3. Do not signal too early, especially if another street or driveway lies before your intended turn. Accidents often occur when a driver assumes another vehicle is going to turn ahead of the intersection but doesn’t.

#### **Passing Techniques:**

1. Always allow sufficient space in which to pass. Serious head-on collisions can occur when a passing driver does not have adequate time to return to their lane. You should be going at least 5 mph faster than the vehicle you are trying to pass without exceeding the speed limit. When in doubt, DO NOT pass.
2. Always use turn signals to make other drivers aware of your intent to pass. Also, signal before pulling back into the driving lane.
3. Pass only where legal. DO NOT pass on hills, curves, at intersections, on bridges, and in other no-passing zones where double-yellow lines appear.
4. After passing a vehicle, do not rely on rearview or side view mirrors to judge when it is safe to return to the driving lane. Glance over your shoulder to confirm the position of other vehicles and determine there is adequate space to do so.
5. Pass only when necessary. Never exceed the posted speed limits if a vehicle in front of you is driving the speed limit.

#### **Interstate and Freeway Driving:**

1. Always drive at or below the posted speed limit. Not to exceed the company's policy of 65 miles per hour
2. Use care when merging. Signal before entering the traffic flow, using the entrance ramp to achieve the minimum speed. Look ahead to gauge the traffic pattern. Never stop at the end of the entrance ramp and wait for the traffic to clear.
3. Do not assume vehicles traveling in the right lane will allow you to merge into traffic. Reduce speed slightly on the entrance ramp, if necessary.
4. Be aware of a driver’s presence ahead of you on an entrance ramp, as you attempt to merge.

5. Signal your intent to exit and proceed with the traffic flow. If you pass your intended exit, proceed to the next exit. Never use the shoulder to back up.

#### **Rural Road Driving:**

1. Be careful of hidden driveways and roads.
2. When using high beams, while driving at night on rural roads, be sure to reduce beams around vehicles within 500ft.
3. Intersections may have low visibility from trees, vines, buildings, rural crops and other similar obstructions.
4. Be alert for other rural specific vehicles (i.e. school buses, rural mail carriers, or other slow-moving vehicles). Also watch for animals that may wander onto the roadway, especially at dawn or dusk.

#### **Poor Weather Conditions:**

1. Increase your following distance by an additional four-second interval during inclement weather. Also increase following distance appropriately when driving a fully loaded vehicle or carrying a load behind your vehicle.
2. During and immediately after heavy rainstorms, reduce speed well in advance of intersections, on Interstate ramps, and in other areas where vehicles merge.
3. During inclement weather (rain, fog, snow, etc.), it reduces overall speed to compensate for poor road conditions and reduced visibility. Do not operate cruise control, as hydroplaning can result.

#### **Securing Interior Cab Items:**

1. When possible, secure equipment, tools, and other loose items inside your vehicle's cab or trunk. Loose items can become airborne, resulting in injury to drivers or passengers. They can become lodged under the driver's, acceleration and/or brake pedal.
2. Keep the interior of your vehicle clean and free of all trash, clutter, rubbish and debris.

#### **Cellular/Mobile Phone Usage:**

1. Using a cell phone while driving increases the driver's risk of an accident. Some studies conclude that driver inattention increases the risk of an accident as much as driving drunk. Laws in several countries and several U.S. states prohibit the use of cell phones while driving. We, here at Hi Pro Inc, also prohibit the use of cell phones while driving without the use of a hands-free device.
2. General guidelines for safe cellular/mobile phone usage:
  - Pull off the road to a safe location before using the phone
  - Inform regular callers of your driving schedule and when you are available to talk
  - Always keep both hands on the wheel and concentrate on the road.

For exceptions to receiving phone calls, please see Management.

#### **Unoccupied Vehicles: Guarding Against Theft:**

1. Close all the windows, take your keys, and always lock your vehicle.
2. Never leave valuables visible inside. Store items before you park your vehicle, so you are not observed doing so.
3. Park in well-lighted and secure areas whenever possible. Do not take company vehicles home. Avoid parking on the street.
4. To discourage thieves, turn vehicles' wheels sharply to the right or left. Apply the emergency brake on front-wheel drive vehicles, locking all four wheels.
5. Use anti-theft devices, if available. Visible devices may discourage thieves.

#### **Rules Of The Road:**

1. Observe legally permitted speeds, and adjust speed accordingly for road conditions, heavy traffic, and/or adverse

weather.

2. Wear lap belts and harnesses and insist all occupants do the same.
3. Do not allow children or unauthorized persons to accompany you on company business.
4. Practice defensive driving at all times. Observe safe following distance rules. Adjust accordingly when weather or other conditions warrant.
5. Switch on headlights when driving during low light conditions, including inclement weather.
6. Never operate a vehicle under the influence of alcoholic beverages, medications, or other controlled substances or drugs.
7. Never drive while fatigued. Take regular rest stops during long trips – at least every three hours.
8. Lock doors while driving and whenever the vehicle is unoccupied.
9. Allow no more than the maximum number of passengers intended in your vehicle.
10. Prohibit passengers from riding in the back of pickups.
11. Do not permit firearms in a company vehicle.
12. Never transport hitchhikers or pick up strangers.
13. Do not take notes, read maps, eat, or perform other distracting activities inside vehicles unless you are safely parked.
14. Usage of cell phones is strictly prohibited without the use of a hands-free device. Take steps to insure there are no calls while driving. If a call must be received, safely pull over before answering the call. Absolutely no texting while driving.

(For exceptions to phone calls while driving, see management.)

#### **Driving in Adverse Weather:**

Many of the most serious accidents happen during adverse weather conditions. If you believe that it is too dangerous to drive, Hi Pro Inc. will support your decision. If you are on the road when adverse weather begins, reduce speed and travel with extreme caution. If you need to pull off the roadway, do so at a location where you and your vehicle will be safe. Follow the recommended safety procedures identified by the Bureau of Motor Vehicles or directions given by Emergency Service personnel

#### **Illness or Fatigue:**

Never operate a motor vehicle when your ability and/or alertness is impaired by fatigue, illness, or any other cause. Doing so violates company policy. Jobs may require driving beyond a typical eight-hour shift. When driving long hours, be sensitive to your need to rest. This may require an overnight hotel stay or pauses at a rest area.

#### **Factors that contribute to fatigue include:**

1. Sleep apnea
2. Lack of exercise
3. Alcohol usage
4. Work schedules
5. Smoking
6. Shift work
7. Age
8. Prescription Medications \*

\* If you have been directed by a Health Care Professional to take a prescription medication and a potential side effect precludes you from operating a motor vehicle or other machinery, you **MUST** notify your supervisor before operating a company vehicle.

#### **TO MINIMIZE POTENTIAL EXPOSURES, DRIVERS NEED TO FOLLOW the LIST OF GUIDELINES:**

1. Get the best possible sleep you can before you begin a road trip. This is often obtained from sleeping at home in a room that is neither too hot or cold.
2. Make up for sleep deprivation as soon as you can. Don't allow sleep loss to accumulate. It usually takes two good night's sleep to recover from sleep deprivation.
3. Sleep as much as needed to feel refreshed and healthy, but no more. Most adults need between 7-9 hours of sleep per night to function at their best. Sleeping too much can actually increase fatigue and, if done regularly, can increase chances of diabetes, heart disease, and stroke.
4. When you need to work overtime hours, make sure that your off time is very relaxing and that you get plenty of sleep to make up for the extra work. 10-11 hours of sleep that evening would be recommended.
5. Try to get at least 20 minutes of exercise, at least three times per week. Putting this into practice helps to reduce the

risk of many developing health issues.

6. Eat healthier foods. Foods high in sugar and carbohydrates may make you feel more energized for a short amount of time; however, they lead to a crash in energy when expended. Eating a healthy, balanced diet has been medically proven to provide a continual and balanced amount of energy.
7. Taking vitamin supplements is suggested. Any vitamins are helpful to you. However, vitamins that are time released have been proven to provide the body with more energy throughout the day. Take with food in AM.
8. Get a physical check-up once a year. Convey any concerns with your doctor, including fatigue or possible depression.
9. Communicate openly and directly without anger. Anger is often the last result of underlying stressors. Seek professional help if needed.
10. Do not drive when overly emotional, agitated, or upset. Talk to your supervisor before you come to work under stress from personal problems which may affect your driving.

Any exceptions to the above guidelines must be referred to the Hi Pro Inc. management for written approval.

**Passengers:**

**NO driver shall transport any person, or animal, in their company vehicle at any time.**

Exceptions:

1. When two or more employees are required to accompany one another for company business;
2. When a company qualified co-driver is required; and/or
3. When transporting assistance is needed following an accident or in an emergency.



## 3-10. Transporting Equipment

### Load Securement

It is the responsibility of the Driver to ensure that any freight moved by driver is secured properly. Load he should be observed and measured to prevent striking overhead objects such as bridges and canopies. This includes any loads which have already been picked up and secured by another driver. Never make the assumption that the load is secure, always make the effort to ensure that the freight you are responsible for secure.

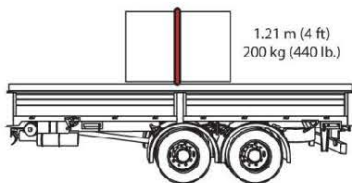
The following is directly from the FMCSA Driver's Handbook on Load Securement

### **Containing, Immobilizing, and Securing Cargo Restraining the cargo correctly (Section 2.2.3.1)**

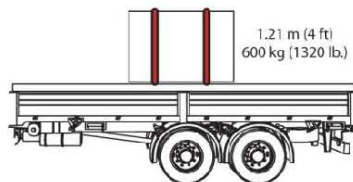
How many tie downs are required?

If cargo is **not prevented** from forward movement (for example, by the headboard, bulkhead, other cargo, or tie down attached to the cargo), secure the cargo according to the following requirements:

Article Description	Minimum # of Tie downs
1.52 m (5 ft) or shorter 500 kg (1,100 lb.) or lighter	1

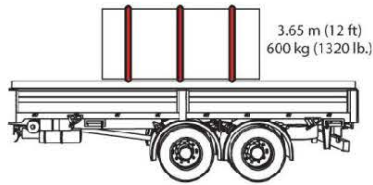


Article Description	Minimum # of Tie downs
1.52 m (5 ft) or shorter Over 500 kg (1,100 lb.)	2



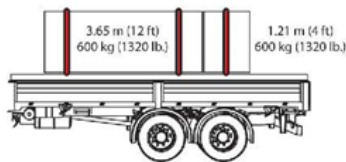
Article Description	Minimum # of Tie downs
More than 1.52 m (5 ft) but 3.02 m (10 ft) or less	2

Article Description	Minimum # of Tie downs
Longer than 3.02 m (10 ft)	2 + 1 tie down for every additional 3.02 m (10 ft), or part thereof



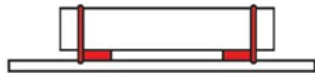
When cargo is prevented from forward movement (for example, by the headboard, bulkhead, other cargo, or tie down), secure the cargo according to the following requirements:

Article Description	Minimum # of Tie downs
All Cargo	1 tie down for every 3.04 m (10 ft), or part thereof

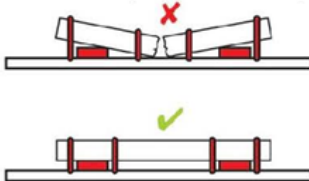


#### Tie down placement

Place the tie down as close as possible to the spacer.  
Position the tie downs as symmetrically as possible over the length of the article.



Position the tie downs to preserve the integrity of the article.



- Make sure you have appropriate rated tie down straps or e-track straps that are in good condition
- It is very important when hauling mobile equipment that proper tie down procedures is followed.
- Heavy equipment or machinery with crawler tracks or wheels must be restrained against movement in the lateral, forward, rearward, and vertical direction using a minimum of four tie downs. (section 393.132 DOT)
- Each of the tie downs must be affixed as close as practicable to the front and rear of the vehicle, or mounting points on the vehicle that have been specifically designed for that purpose. (393.132 c2 DOT)
- Accessory equipment, such as hydraulic shovels or buckets, must be completely lowered and secured to the vehicle.

For information regarding the transport and securing of loads transported by Hi Pro Inc, refer to the Training-Dock Safety Guidelines manual by the USPS.

## 242 Containers

The Postal Service makes extensive use of containerization. Contractors who handle containers on a dock or transport them should use common sense and must abide by the following guidelines:

1. Push, do not pull, containers.
2. If moving containers manually, move only one at a time.
3. If a container is particularly heavy, get help.
4. Be sure that you can see to the front and sides of a container while moving it.
5. Always set the brake on a container when leaving it unattended.
6. Do not park your vehicle on an incline when loading or unloading bulk mail center (BMC) containers.
7. Do not load any container higher than the top of the container.
8. Keep your feet clear of the container's wheels.
9. Secure rolling stock containers so they do not move when the vehicle is in transit. This includes setting the brake and pin on every container that has them, and securing rolling containers including hampers with the proper number of shoring bars or straps. Also, secure stacks of bed-loaded items such as tubs, trays, sacks, and outsides with a proper number of shoring bars or straps to keep them from sliding.
10. Load pallets and pallet-based boxes in a pinwheel fashion. Secure the load with shoring straps or bars when possible.
11. Close and lock trailer/vehicle doors. On swing-out doors, be sure all locking pins are properly engaged.

## 243 Weight and Distribution Limitations

### 243.1 Weight Distribution

Weight distribution is essential for safe and efficient vehicle operation. Heavy loads concentrated over the rear axle may cause lightening of the front axle, resulting in loss of steering control, steering "play," front-axle bounce, brake chatter, and front-wheel lockup. Heavy loads on one side can result in damaged springs, excessive tire wear, and steering pull. Excessive weight in the nose has caused trailers to tip. (See [Exhibit 243.1](#).)

#### Exhibit 243.1

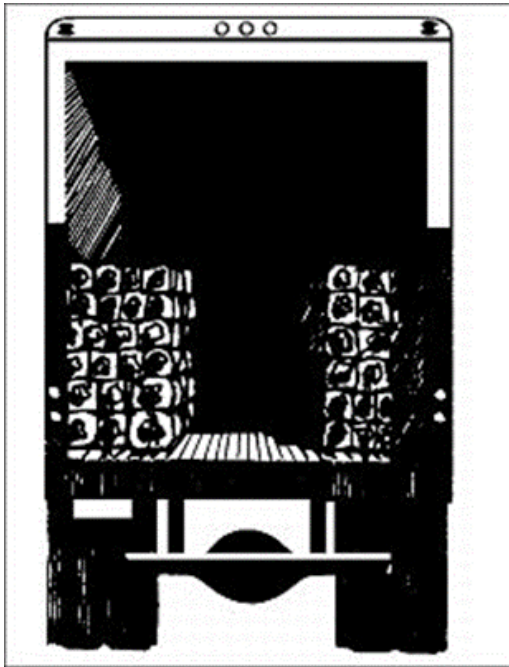
##### Improper Weight Distribution



### 243.2 Weight Limitations

You must know and follow the weight limitation of your vehicles. Publications, magazines, catalogs, and similar items may weigh up to 50 pounds per cubic foot, and may far exceed the weight capacity of the vehicle. Limit loads of this nature to one-half of the vertical inside height of the vehicle. Exceeding this limitation can break springs, bend frames, split floors, and blow out tires, as well as dangerously change the center of balance. An example of balanced loading is shown in [Exhibit 243.2](#).

**Exhibit 243.2**  
**Balanced Load**



**243.3 Bed-Loaded Sacks**

Secure bed-loaded sacks with shoring bars or shoring straps to prevent them from shifting during transit and wedging against doors. (See [Exhibit 243.3.](#))

**Exhibit 243.3**  
**Securing Bed-Loaded Sacks with Shoring Bars**



### 3-11. Traffic Violations

Payment of fines and citations you receive for parking or moving violations are your personal responsibility. The company will not condone nor excuse non-payment of traffic citations that result in a court summons directed to our business, due to the vehicle's ownership.

You are required to report all moving violations to Management within 24 hours of occurrence. This requirement applies to violations involving the use of any vehicle (company, personal, rental, etc.) used for company business. Failure to report violations will result in appropriate disciplinary action.

Any traffic citations you receive while driving on personal business are also subject to review and may affect your driving status.

### 3-12. Alcohol And Drug Policy

1. If you are assigned a company vehicle, or regularly drive a personally owned vehicle for company business, you are subject to random and unannounced drug testing as permitted by state law. You are subject to immediate termination if you test positive for any banned substance. Refusal to participate will result in immediate termination.
2. If you drive a company vehicle, or regularly drive a personally-owned vehicle on company business, and receive a DUI citation from state, federal, or local law enforcement officers, you are subject to disciplinary action, up to and including termination. This includes DUI citations received off-duty while driving private vehicles.
3. The transport of alcoholic beverages and all controlled substances in company-owned vehicles is prohibited at all times.
4. You must agree to inform your physician(s) that driving is part of your job if he/she prescribes any medication for you. This may enable the physician to choose medications that will not cause drowsiness or other physical impairment.
5. Hi Pro Inc. reserves the right to conduct a drug and/or alcohol test after an accident. The test will be performed as soon as possible. Refusal will result in immediate termination.
6. You must report all accidents immediately to your facility supervisor or manager and Hi Pro Inc. Safety and Human Resources Departments. Failure to report an incident within 24 hours of occurrence will result in a write-up.

### 3-13. Accident Scene Conduct

1. Take these actions if you are involved in an accident:
  - a. Move your vehicle off the road if the traffic and vehicle condition allow you to do so safely.
  - b. Set your brake. An obvious move, but immediately after an accident, such actions can be missed.
  - c. Call 911 if injured parties require medical attention.
  - d. Render care if appropriately trained for any injured individuals. Notify police and/or emergency responders at once
  - e. Clear the roadway of any hazardous debris only if the conditions allow you to do so safely.
  - f. Place reflective triangles and/or flares (if there are no fuels or flammable liquid leaks) near the scene.
  - g. Place your emergency reflective equipment in accordance with state law and common sense.
2. Maintain a calm and controlled demeanor at the scene. Never admit fault, even if you believe you were at fault. Do not show anger or resentment, or accuse others. Listen to and obey the responding police officer.
3. Use your accident investigation kit and immediately begin recording information about the accident. Do not leave important details to your memory.
4. Draw a diagram of the accident scene. Record road names, the placement of vehicles, access points, mile markers, number of lanes, pathways of vehicles involved, tire marks, signs, physical obstructions, and any other data you view as important. Always confirm the accurate number of passengers in each of the vehicles involved.
5. If you have a camera, photograph the vehicles and the accident scene. Also, take photos that show the physical damage caused to vehicles, skid marks and obstructions. Photograph witnesses, including passengers, and indicate each person's position in the vehicle. Including photos that show pavement conditions (wet, icy, debris covered, etc.), and any other evidence. Check for indications that any of the property damage may have resulted from a previous accident.
6. Observe the scene. Watch for items being tossed out of vehicles, or items being tucked out of sight by other witnesses/passengers. Make a record if anyone places items in their trunk. Use your sense of smell to detect gasoline or alcohol odors. Listen to what the other parties are saying to each other, and to the police. Record your observations if anyone behaves unusually.
7. Get important information from the other driver, including name, address, and phone numbers. Record the name(s) of other driver's insurance carrier(s), policy numbers, and coverage periods. Also, write down the names, addresses, and phone numbers of all witnesses.
8. DO NOT rely on law enforcement officers to take witness statements. Take the initiative to talk to those individuals who may have seen the accident. Do not "demand" information, but politely request pertinent information.
9. Obtain information from the responding police officer, including name, badge number, rank, and precinct/district. Obtain a telephone number and address to request a copy of the accident report.
10. Make sure to enter your statement and observations into SAMSARA.

DO NOT discuss the accident with anyone unless they prove they represent you and/ or Hi Pro Inc.

#### **Accident Reporting:**

#### **YOU MUST REPORT ALL ACCIDENTS, EVEN MINOR ONES.**

It is very important to report an accident immediately. Contact your facility supervisor/ manager or Hi Pro Inc. Management Officer as quickly as possible. Employees should document the time and date and to whom they reported the incident for personal records. Failure to report an accident, regardless of severity, will result in disciplinary action, up to and including termination.

Use Your Accident Kit — Your Accident Kit contains the forms and provides the directions you need to help us complete the investigation.

Make sure to record your Employee Statement with SAMSARA. If SAMSARA is not available, a written or emailed statement to your supervisor is acceptable. The statement should tell your point of view as to what happened. Make sure to include the date, time, and location of the incident as well as the vehicle and trailer that you were driving.



Report the address of where your damaged vehicle will be parked and the times it will be parked there to your supervisor. Depending upon the amount of damage to the vehicle, an insurance adjuster will most likely need to inspect the damaged equipment.

Depending on the details and/ or severity of the accident, expect a phone call from the Hi Pro Inc Insurance coordinator and/ or the insurance company representing Hi Pro Inc.

Supervisors are required to provide all accident related information and documentation to Hi Pro Inc Management within 24 hours of being made aware of the incident.



As per the instructions communicated directly with each supplier earlier this month, all serious accidents/injuries must be reported by phone and/or e-mail within 24 hours. Serious accidents or injuries are defined as accidents/injuries where a fatality has occurred, accidents/injuries where individuals are transported to the hospital and accidents where excessive vehicle or property damage is caused. All dock operations accidents, such as roll-aways or pull-aways, must also be reported. An email communication must be sent to the following:

- VP, Transportation Strategy, at [Peter.Routsolias@USPS.GOV](mailto:Peter.Routsolias@USPS.GOV)
- The LDT Contracting Officer, at [LDT@USPS.GOV](mailto:LDT@USPS.GOV)
- The PNT Contracting Officer, at [PNT@USPS.GOV](mailto:PNT@USPS.GOV)
- The Administrative Official assigned to the Highway Contract Route

Failure to report any serious accident/injury in the manner described above may be grounds for contract termination. Suppliers are further reminded of the following:

- Contract Terms and Conditions Clause B-88 requires the supplier to notify the Contracting Officer that there is a proposed safety rating or determination of a rating of "unsatisfactory" within five business days of receipt of notice from the FMCSA.
- Contract Terms and Conditions Clause B-64 requires the supplier to be easily accessible in the event of emergencies or interruptions in service.
- Clause B-86 sets the contractual requirement for electronic communication and interactivity. Suppliers are required to be responsive to Postal Service communications at all times.

All suppliers must provide one or more points of contact that can be reached by phone or email 24 hours a day, 7 days a week. That information, as well as any questions about these instructions, should be sent to [PNT@USPS.GOV](mailto:PNT@USPS.GOV).

## Vehicle Accident Review Form

Driver information:

Name \_\_\_\_\_

Date of Accident \_\_\_\_\_

Hire Date \_\_\_\_\_

Accident Specifics:

Time of Accident \_\_\_\_\_

Hours on duty prior to accident \_\_\_\_\_

Driver's MVR and accident experience meets Hi Pro Inc. Company's minimum acceptability criteria? Yes No

Driver cited by police? Yes No

Post-accident drug testing required? Yes No

If yes, was it completed and what were the results? \_\_\_\_\_

Contributing causes to the accident (check all applicable):

- Weather conditions
- Equipment failure
- Inadequate maintenance
- Aggressive attitude or reckless driving
- Drug/alcohol impairment
- Driver fatigue or illness
- Inattention
- Following too close
- Failure to scan spaces to the side
- Wandering over lane dividers
- Failure to anticipate lane mergers
- Failure to signal
- Failure to obey traffic control devices
- Driving too fast for conditions
- Speeding in a construction zone
- Failure to back properly
- Failure to use turn signals
- Misjudging time for vehicle to clear intersection
- Failure to give right-of-way to a passing vehicle
- Improper loading/securing of cargo
- Failure to use headlights under reduced visibility conditions
- Failure to check all around the vehicle for clearance
- Failure to ensure overhead clearance
- Unfamiliar with the route to be traveled
- Inattention to pedestrian traffic
- Failure to complete pre-trip inspection



## Accident Review Form

Describe How Accident Occurred:

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Diagram Accident:

Recommended Corrective Action:

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Completed by: \_\_\_\_\_ Date: \_\_\_\_\_

Driver's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## **Additional Emergency Procedures**

1. If a mechanical failure causes your vehicle to break down, make an effort to get it off the road and away from the flow of traffic. Removing your disabled vehicle off the roadway must be your priority.
2. Stay in the vehicle or next to it on the side opposite to traffic.
3. If you cannot maneuver the vehicle safely and completely off the road, place flares or reflectors behind it, as per DOT requirements.
4. Activate emergency flashers immediately.
5. After placing emergency markers, call a service station, motor club, or other source to request immediate assistance. Do not delay reporting the accident or emergency.
6. Remove all valuable cargo and equipment from the disabled vehicle before towing.
7. Prompt reporting is important after all accidents, but especially critical following a serious accident that involves physical injuries and/or extensive property damage.
8. Contact our insurance carrier immediately for advice on how to conduct an accident scene investigation.

## **Accident Review Committee**

Hi Pro Inc. The Safety Department will review the accident to determine if it was a PREVENTABLE or NON-Preventable accident.

Factors used in determining whether an accident was preventable include the driver's statement, accident reports, police reports, witnesses' accounts, photographs, and post- accident drug/alcohol test results.

Any positive result from a drug and/or alcohol test, or the refusal to take the test(s), may result in immediate termination.

## **Progressive Disciplinary Policy**

Safety is everyone's business. Violating safety rules, laws and practices will result in Hi Pro Inc. management taking action to re-evaluate and re-educate drivers to reduce accident frequency and severity.

All accidents are subject to review. The process will be determined by whether progressive disciplinary action, up to and including termination, will be administered.

## **Disciplinary Actions**

The following is a list of disciplinary actions that can take place for failure to follow any of the Fleet and Safety guidelines or other Hi Pro Inc policies. Please note that Hi Pro Inc is an at-will company. This means that at any time employment may be terminated by Hi Pro Inc or the employee without prior notice or cause.

- **Verbal Warning.** This warning is not considered a write-up, though the fact that you were spoken to will be documented by your supervisor.
- **Write-Up.** This is a formal document that will be signed by you and a member of management regarding the infraction. This will become part of your employee file. Any write-up can result in suspension without pay. Three write-ups are grounds for immediate termination.
- **Driver Training.** Depending upon the infraction, employees may be required to participate in further training on-job to ensure the infraction does not happen again.
- **Suspension Without Pay.** Depending upon the infraction, an employee may be subject to suspension without pay until management decides upon future employment.
- **Termination.** Employment with Hi Pro Inc has now been severed.

## 3-14. Driver Qualification

DOT REQUIREMENTS --Driver Qualification File--

### WHO MUST COMPLY?

A gross vehicle weight rating (GVW) or gross combination weight rating (GCW), or a gross vehicle weight (GVW) of 10,001 pounds or more.

Transporting of Placard Quantities of hazardous materials.

### WHO IS A QUALIFIED DRIVER?

- At least 21 years of age for hazardous materials
- At least 18 years for non-hazardous materials
- At least 18 years of age for a semi-tractor trailer intrastate
- At least 21 years of age for a semi-tractor trailer interstate
- Can read and speak English
- Can safely operate the vehicle
- Is physically qualified
- Has a valid CDL from only one state
- Is not disqualified from driving a CDL vehicle
- Has supplied the employer with a list of previous violations

### DRIVER QUALIFICATION FILE--contents

- Application for employment
- Past employment history
- Road test or copy of a valid CDL
- Record of violations
- Physical Examination (All drivers)
- Waivers as needed
- Drug and alcohol testing results
- Previous drug and alcohol testing results

### APPLICATION FOR EMPLOYMENT

- Contents of the application must include:
- Name and address of the Carrier or Business
- Applicants name, address, date of birth and social security number
- Date of Application
- Operator CDL, issuing state and expiration date
- Last 3 to 5 years of violations, depending on type of license and state requirements
- A statement detailing the facts and circumstances of any denial, suspension or revocation of any license
- List of names and addresses of past employers for the last three years
- A statement that indicates the information is true and correct
- Investigation of the employment history must be made within 30 days of employment. Past employment history must be made in a diligent manner.

The last **three to five** years of driving and employment records **MUST** be checked, depending on state requirements.

All areas of the application must be filled in or indicate NONE

## **ROAD TESTING**

A valid CDL is sufficient in place of a road test if the employee is operating a vehicle of the same type. This rule does not apply to doubles/triples or tanks.

- You must retest unless the applicant has completed a road test within the last three years in a vehicle of a similar type.
- Must have a copy of the CDL on file

## **RECORD OF VIOLATIONS**

- There must be an initial investigation into the history of the violation of the applicant for the previous three years.
- The Record of Violations **MUST** be completed on an annual basis after the initial investigation.
- The driver must sign a statement that you have reviewed with them the results of the record of violations.
- Must be signed by the carrier and kept on file

## **PHYSICAL EXAMINATION (INTERSTATE)**

- Physicals must be performed every 24 months
- For interstate transportation
- Areas of concern about the physical
  - Eye sight (must be 20/20)
  - Comments from the Doctor
  - Blood pressure (must be less than 160/80)
  - Blood sugar results

## **ANNUAL REVIEWS**

- A Motor Vehicle History must be and will be run on all drivers annually.
- A Record of Violations sheet must be filled out by the employee annually.

## 3-15. Vehicle File Requirements

### WHAT NEEDS TO BE IN A TRUCK FILE?

- Documentation of the annual inspections
- Documentation of the five-year required tests
- Year of manufacture
- Date put into service
- Truck identification number
- Title of the truck
- All repairs and maintenance to the vehicle
- Tank certification and results of the testing

### MAINTAINING VEHICLES

- The motor carrier must systematically inspect, repair and maintain all vehicles under their control.
- All maintenance records must be retained for 18 months following the sale of the vehicle.

### ANNUAL INSPECTIONS

- The motor carrier is responsible for the qualifications of the inspector.
- Annual chassis and brake inspection
- Other testing (ie-5 year hydro testing)

### ONBOARD THE VEHICLE

- An ABC Fire Extinguisher of at least 5 lb. Capacity, or 2 4 lb. Extinguishers
- Hazard Material commercial vehicles must have an ABC Fire Extinguisher of at least 10 lb. or more
- Three bi-directional reflective triangles, six fuses, or three liquid burning flares
- Proof of the Annual inspection
- HazMat Commercial Vehicles
- Shipping papers
- Emergency contact phone number
- Emergency response book
- Proper placard
- Proof of HazMat registration
- Daily Post Inspections

## 3-16. Driver Audit

Drivers of motor vehicles transporting hazardous materials must receive training that covers "General Awareness/Familiarization", "Safety", and "Function Specific". In addition, the driver must receive training on the Federal Motor Carrier Safety Regulations (FMCSR), 49 CFR Parts 390–397 and procedures necessary for the safe operation of the motor vehicle as specified in §177.816.

Drivers of cargo tank vehicles and vehicles transporting portable tanks (1,000 gallons or more) must be trained in the specialized requirements of §177.816(b).

### Security Awareness Audit

Each **hazmat** employee must receive security awareness training.

Security awareness training must include:

- An awareness of security risks associated with hazardous materials transportation,
- Methods designed to enhance hazardous materials transportation security,
- How to recognize possible security threats, and
- How to respond to possible security threats.

## 3-17. Definitions

**Negligent Entrustment:** To allow someone with a trust or duty in a careless fashion or without completing required processing steps. For example, negligently allowing an unfit driver to operate a vehicle is negligent entrustment.

**Preventable Accident:** A preventable accident is one in which you failed to do everything that you have reasonably done to avoid it.

**Non-Preventable Accident:** A non-preventable accident is one in which you took all measures possible to avoid it.

## 3-18. Dash Cam Policy

### (Audio & Video)

This policy sets out the position of Hi Pro, Inc. on the use of on-board incident capture devices (Dash Cams to include video inside/outside and audio) in vehicles and its effect on employees.

### PURPOSE AND SCOPE

The primary uses of Dash Cams are to assist in the Protection and Safety of Persons and Property, Prevention or Detection of Criminal Offences, Defense of Legal Claims, and most importantly, Driver Training/Safety Performance.

### PRINCIPLES

The following principles apply:

- a. Dash Cams are installed in all company vehicles, (i.e. pickups, trucks & tractors).
- b. Dash Cams are set up in a way that ensures that there is minimal intrusion of privacy, and that any intrusion is fully justified.

**All drivers are aware there is a Dash Cam in their vehicle and given an overview of how the system works.**

- a. Video can be retrieved, if deemed necessary, to determine fault in the case of a complaint, citation or incident that did not get saved as an event.
- b. Access to retained images and information will be restricted, with clearly defined rules for Designated Responsible Persons (DRPs) who can gain access.
- c. When the Dash Cam captures an incident that reveals inappropriate conduct that cannot in good conscience be ignored, Hi Pro Inc. reserves the right to process in business interests. This may include grievance, or disciplinary proceedings, defense or litigation of a legal claim, and driver training.
- d. Recorded images and information will be subject to appropriate security measures to safeguard against unauthorized access and use.

### DASH CAM RECORDINGS

Designated Responsible Persons (DRPs) consist of:

- Safety Compliance Coordinator, Management, Human Resources, and Statutory bodies, such as the Police, the Insurance Agency, etc.

Any other person with interest must obtain authority from a DRP to view recorded footage, providing reasons and justification. Any person whose images are recorded has a right to view those images, and to be provided with a copy of those images, within one month of making a written request. Availability of images will be subject to the retention period. Employees making a request should do so in writing, providing the relevant time and date of the image, to Human Resources.

### EMPLOYEES

As stated, the primary uses of Dash Cams are to assist in the Protection and Safety of Persons and Property, Prevention or Detection of Criminal Offences, Defense of Legal Claims and Driver Training/Safety Performance. However, when Dash Cams are deployed, they are likely to capture pictures of

- employees and workers.

In accordance with principle 3(e) above, Dash Cam evidence may be used as part of an employee investigation where, in the

reasonable belief of management, there may have been misconduct, or a breach of Health and Safety. In such cases, the footage must be requested by the Human Resources Manager.

Where footage is used in disciplinary proceedings, it will be retained for a further period of up to five years. The employee will be permitted to see and respond to the images, in addition to the employee's right to request a copy, which will be provided within one month.

Under appropriate circumstances, the footage may be provided to the police (or other Competent Authority) with the intention by prosecuting criminal offences. In defense of legal claims, or in pursuance of civil recovery, footage may also be provided to our legal representatives with the intention of providing evidence before the courts.

### **NON-EMPLOYEES**

Where an incident involves a third party, the relevant insurers will be informed of the details.

Although the third party may be made aware that there is recorded evidence in the form of Dash Cam footage, a copy of the recorded material can only be obtained if requested by the subject themselves. Third Parties should also be aware that, under appropriate circumstances the footage may be provided to Police (or other Competent Authority) with the intention to prosecute criminal offences. In defense of legal claims, or in pursuance of civil recovery, footage may also be provided to our legal representatives with the intention of providing evidence before the courts.

### **MONITORING AND REVIEW**

This policy will be regularly reviewed, or sooner if there is a policy need or legislative change. This policy does form part of employees' terms and conditions of employment and may be subject to change at the discretion of Hi Pro Inc.

### **DISCIPLINARY ACTION**

Disciplinary action up to and including termination of employment will be taken against any employee who is involved in any of the following actions.

1. Destroying, dismantling or unplugging the camera( device).
2. Deliberately blocking the view of the camera inside the cab or outside the cab of the vehicle. This will include clothing items, tape, sun visors, etc.
3. Exhibits unsafe behavior that endangers the lives of other workers and the traveling public.



## 3-19. Distracted Driving Policy

### Policy Statement

The main purpose of this policy is to protect the health and safety of Hi Pro Inc employees, by prohibiting or restricting them from undertaking activities that distract their focus from driving responsibilities while operating any motor vehicle in the course of their work.

This policy has been implemented to:

- Reduce the incidence of driver distractions and to ensure the safety of our employees and others (passengers, other motorists, and pedestrians)
- Comply with the FMCSA driving standards
- Reduce operational and financial risks
- Strengthen the reputation of the company

### Application

This policy applies to all company employees.

### Definition

Distracted driving is the diversion of attention from driving, because of the driver focusing on a non-driving object, activity, event, or person. This diversion reduces cognitive awareness, decision-making, or performance, leading to increased risk of driver-error, near-crashes, or crashes. Anything that takes your attention away from driving can be a distraction. Sending a text message, talking on a cell phone, using a navigation system, and eating while driving are a few examples of distracted driving. Any of these distractions can endanger the driver and others.

There are three main types of distraction:

- Visual: taking your eyes off the road.
- Manual: taking your hands off the wheel; and
- Cognitive: taking your mind off driving.

### Prohibited Activities

Employees will not engage in the following while driving:

- Operating a cellphone (hand-operated),
- Operating a computer / laptop, text messaging device, or Global Positioning System (GPS) tools and devices,
- Reading (a book or newspaper, etc.)
- Personal grooming

### Restricted Activities

A driver may undertake activities listed below provided they do not reduce the driver's focus. Different driving environments and circumstances (e.g. a school zone at 3:05 p.m. compared to an open highway at 10:00 a.m.) better lend themselves to undertaking the following without perilously limiting the driver's ability to recognize and respond to hazards.

- Conversations with passengers
- Adjusting the radio / MP3 / CD player
- Adjusting vehicle climate controls, or other accessories,
- Eating / drinking,

- Operating a two-way radio (as necessary for resource road communication protocols).

**Enforcement**

Violations of this policy will be considered a serious matter and may be subject to documentation, training, disciplinary action, and termination.


## 3-20. Dock Safety Guide




# Dock Safety Guide



 *Purpose*



# *Purpose*



**The purpose of this document is to provide standard operating procedures to eliminate the risks associated with dock activities. The Postal Service's position is that:**

- Any injury can be prevented. This goal is realistic, not just theoretical.
- Management is responsible and accountable for the prevention of accidents and control of resultant losses.
- It is possible to safeguard all operating exposures that can result in accidents and injuries, but it is better to eliminate the sources of danger.
- Management must use protective measures, such as machine guards, safety devices, and personal protective equipment, and take administrative actions.
- All employees must be convinced that they are responsible for working safely, and that in doing so, they benefit not only their organization but also themselves.
- Preventing personal injuries on and off the job is good business practice. Injuries cost money, reduce efficiency, and cause human suffering.

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## Key Loading Dock Hazards



**Drive-away:** A drive-away is when a vehicle or trailer is moved away from the loading bay before the loading/unloading operation is complete.



**Vehicle Creep:** Vehicles can move (or creep) away from the edge of the loading bay as loading equipment jolts the vehicle or compresses its suspension when moving between the bay platform and the vehicle.



**Load roll-away:** A steep incline, either on the dock plate or within the trailer, can cause wheeled equipment (such as those in Postal MTE) to roll either into or out of the vehicle.



**Trailer tip:** When a trailer is uncoupled from the tractor unit and the landing legs lowered, the trailer can be prone to tipping forward from the landing legs if too much weight is placed towards the front of the trailer.



**Water ingress:** Water entering the dock loading area can create a slip hazard for both pedestrians and those using mechanical equipment.

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## Contents

Mail Transportation Equipment

Dock Locks

Fifth Wheel Coupling and Uncoupling

Wheel Chocks

Dock Plates and Levers

Dock Scissor Lifts

Bay Safety and Key Control

Opening Trailer Doors

Forklifts/Motorized Equipment

Pallet Jacks

Loading/Unloading Trailers

Securing Loads

4



- Containers may refer to general purpose mail Containers (GPMC), Eastern Region Mail Containers (ERMC), BMC over-the-road Containers (BMC-OTR), etc.
- Secure all containers that are loaded onto vehicles with shoring bars and/or straps to prevent the load from shifting and rolling free. Place OTR-container tow pins in the floor sockets of trucks or vans.
- If a load has toppled against the mesh doors of an ERMC, get assistance when removing the restraining bar. When pressure is placed against the mesh door, the restraining bar can be extremely dangerous because it acts like a spring when released.
- Always hold restraining bars, doors, and shelves with one hand to prevent them from falling when released, and stand to one side.
- When moving an ERMC or GPMC, make sure that the center shelf is in the down position. Check the gate latch and shelf latch before loading or moving a container.
- To control the movement of MTE, containers should be pushed from the swivel-wheel end. Watch constantly for obstructions on both sides of the container.
- Damaged containers are hazardous. All unsafe or unserviceable equipment should be red tagged by tying a PS Form 4707 on the equipment. Red tagged equipment must be removed from service and dispatched without delay to the appropriate repair center.
- Do not remove tags until repairs are completed. Do not allow anyone to place a defective piece of equipment back into service until appropriate repairs are completed.

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Dock locks are used to prevent forward movement of the truck/trailer, which may create an unsafe void between the dock and the truck/trailer as a forklift travels onto the trailer; or to create an obstruction noticeable (via outside lights) to the truck driver, should the driver accidentally try to pull the truck/trailer away while it is being used.



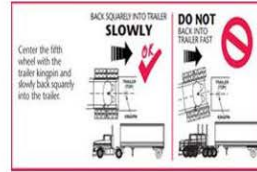
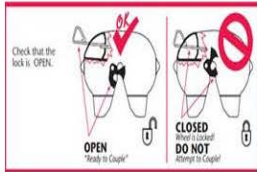
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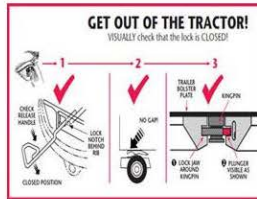
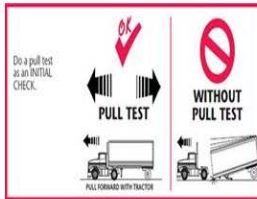
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## Fifth Wheel Coupling and Uncoupling

Hazards posed by the improper coupling of a tractor and a trailer can create risks to Postal workers, Postal property, and public safety. If proper procedures are not followed it could result in major injuries or even death.



### Coupling



### Uncoupling



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## Wheel Chocks

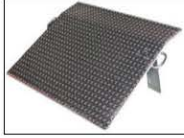


- A robust safe system of work covering the use of wheel chocks is important as workers who put them in place and remove them can potentially be at risk if working where there are moving vehicles. It may be necessary to control the movements of other vehicles in adjacent bays while chocks are put in place or removed.
- Drivers must chock wheels when trailers are docked at bay doors. Drivers must then verify with the expeditor that the chocks are in place.
- Chocks need to be suitable for the type of vehicle they are expected to restrain, for the type of surface they are being used on, and for weather conditions.
- Employees should never enter a trailer that has not been properly chocked. Make sure any parked trailer or vehicle has the wheels chocked or that dock locks are in use before any powered industrial truck enters the vehicle or trailer.

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These steel, aluminum, or polyethylene ramps are used to bridge the gap between the truck trailer and the loading dock so that pallet jacks or forklifts may move product in and out of the trailer. Improperly secured dock plates and levelers can cause the forklift and/or loads to overturn.



Dock Plate



Dock Leveler



Dock Leveler

- **Dock levelers:** Dock levelers move up or down to meet the trailer bed, so that the forklift or pallet jack can make a smooth transition into and out of the trailer. In the normal (unused) position, the leveler should be in the down position. When loading/unloading of the trailer is completed, return the dock leveler to the stored position.
- **Dock plates:** General purpose dock plates are ideal for use with rolling MTE, hand truck, and pallet jack traffic. Only use high capacity steel dock plates for powered equipment. Avoid pinch points with hands and feet when placing dock plates into position.
- **Note:** Dock plates and levelers can be slippery when wet, so be aware of your footing.

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### Do's and Don't's for Safe Operation

#### General Rules

- Do continually observe the operation of the equipment and if you detect any deficiencies, cease operation of the lift. Report problems or malfunctions to the supervisor as soon as possible. Problems or malfunctions should be repaired before using the platform.
- Do use the guardrail system as per manufacturer's specifications. Do close and secure gates or chains before operating the lift.
- Do secure the lift when unattended.
- Do not place or attach overhanging loads to any part of the machine.
- Do not alter safety devices.

#### Raising and Lowering

- Do check overhead.
- Do not overload.
- Do check stability after reaching desired height.
- Do check to see that all is clear below before lowering.
- Do check to see that no equipment is entangled up above before lowering.
- Do keep hands and feet away from any dock scissor lift while they are in motion.

#### Rules for Proper Use

- Do not use the lift in an unauthorized manner.
- Do not sit, stand, or climb on the platform guardrails. Do maintain a firm footing on the platform floor at all times.
- Do not use your lift as a ground for welding.

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### Key Control

1. Upon arrival, the tractor driver should provide the tractor keys to the designated key control employee.
2. Employee then locks keys in lock box – the only exception being if tractor is not hooked to trailer.
3. Prior to unloading trailer, employees should ensure keys are in designated lock box, driver is present and green light is on before engaging dock plate and proceeding with driver assisted load/unload.
4. Upon completion of load/unload employee will disengage dock plate.
5. Driver will close, safety chain and lock truck/trailer door.
6. Designated key control employee will close overhead door, disengage lock and release keys to driver.



### Key Control with Lock Boxes

1. Driver retrieves dock door number fob for the assigned door on the outside hook located below the dock door numbers.
2. Driver reports to designated key control employee with dock door fob in hand.
3. Key control employee opens bay door.
4. Key control employee secures ignition keys and dock door fob.
5. Prior to entering trailer, dock employees should verify security of ignition keys and dock door number fob.
6. Upon completion of load/unload employee should disengage dock plate.
7. Driver will close, safety chain and lock truck/trailer door.
8. Following the completion of the load/unload, the key control employee returns ignition keys to driver and retrieves dock door number fob from the driver.

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Safety is vital when loading and unloading the contents of the trailers. Drivers and unloaders cannot see the condition of the cargo before opening trailer doors and therefore cannot see if cargo has shifted during transportation. Accidents can be prevented by following a few basic steps when opening a truck's trailer doors.



Swinging Doors



Roll-up Doors



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## Powered Industrial Trucks (PIT)

Never Exceed  
Capacity

Sound Horn  
for Warning

Travel at Safe  
Speeds

Wear Safety  
Belt

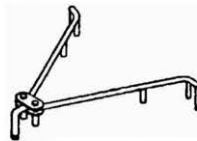


Forklifts



Tow Motor

Folding Tow Bar



Trained forklift and tow motor operators must follow safe operating rules at all times. Operators must always maintain control of their PIT, keep a proper lookout, and operate their PIT at speeds safe for the particular operation and worksite conditions. PIT equipment is used in numerous work settings, primarily to load and unload materials. Forklift overturns are the leading cause of fatalities involving forklifts and they represent about 25% of all forklift-related deaths.

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## Loading/Unloading Trailers

Check for  
Obstacles

Request  
Assistance if  
Necessary

Secure Brakes  
or Braces



- Check area, and remove obstacles and slipping hazards.
- If the load is too high, obstructing visibility, redistribute load in the MTE or have a second person act as a guide during movement.
- If pushing heavy MTE up or down a steep slope, ramp, or dock plate, then redistribute load or use 2 workers to push the MTE.

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- Ensure aisles and floors are free of debris.
- Never jump off the docks. Use approved steps or ladders.
- Close dump holes when you are not using them.
- Check all trailers before loading or unloading them. Keep unused chocks out of walkways and stored against the dock.
- Do not smoke anywhere on the docks or when you are loading or unloading trucks, trailers, vans, railroad cars, or any other vehicles.
- Store dock plates in an anchored, upright position.
- When using dock plates, secure them in a position to keep them from slipping or sliding away.
- Always be aware of moving vehicles and equipment on the dock.
- Store unused straps away from traffic.
- Always wear proper footwear

## Section 4 - Benefits

### 4-1. Benefits Overview

In addition to good working conditions and competitive pay, it is Hi Pro Inc.'s policy to provide a combination of supplemental benefits to all eligible employees. In keeping with this goal, each benefit program has been carefully devised. These benefits include time-off benefits, such as vacations and holidays, and insurance and other plan benefits. We are constantly studying and evaluating our benefit programs and policies to better meet present and future requirements. These policies have been developed over the years and continue to be refined to keep up with changing times and needs.

The next few pages contain a brief outline of the benefits programs Hi Pro Inc. provides employees and their families. Of course, the information presented here is intended to serve only as guidelines.

The descriptions of the insurance and other plan benefits merely highlight certain aspects of the applicable plans for general information only. The details of those plans are spelled out in the official plan documents, which are available for review upon request from Human Resources. Additionally, the provisions of the plans, including eligibility and benefits provisions, are summarized in the summary plan descriptions ("SPDs") for the plans (which may be revised from time to time). In the determination of benefits and all other matters under each plan, the terms of the official plan documents shall govern over the language of any descriptions of the plans, including the SPDs and this handbook.

Further, Hi Pro Inc. (including the officers and administrators who are responsible for administering the plans) retains full discretionary authority to interpret the terms of the plans, as well as full discretionary authority with regard to administrative matters arising in connection with the plans and all issues concerning benefit terms, eligibility and entitlement.

While Hi Pro Inc. intends to maintain these employee benefits, it reserves the absolute right to modify, amend or terminate these benefits at any time and for any reason.

If employees have any questions regarding benefits, they should contact Human Resources.

## 4-2. Paid Holidays

### Mail-Hauling Employees

Full-time, Part-time, mail hauling, employees will be paid for the following holidays:

New Year's Day  
Martin Luther King, Jr. Day  
President's Day  
Memorial Day  
Juneteenth National Independence Day  
Independence Day  
Labor Day  
Columbus Day  
Veterans' Day  
Thanksgiving Day  
Christmas Day

\*\*Please refer to the Wage Determination for your contract for any changes to this list

When holidays fall or are celebrated on a regular work day, eligible employees will receive pay at their regular straight-time rate. Eligible employees who are called in to work on a holiday will receive regular straight-time rate for the actual time they work that day.

If a holiday falls within an eligible employee's approved vacation period, the eligible employee will be paid for the holiday (at the regular straight-time rate) in lieu of the vacation day. Calling off sick, no call no shows, or any other unapproved absence either the day before or after the holiday will disqualify you from receiving holiday pay.

If a holiday falls within a bereavement leave, the eligible employee will be paid for the holiday (at the regular straight-time rate) in addition to the leave day.

Mail-hauling employees that work a minimum of one day of the week when one of the aforementioned holidays occurs, an average of the hours worked for that week will be calculated and the output will be paid to the driver not to exceed 8 hours per holiday and 80 hours annually.

### Corporate and Administrative Employees:

Full-time, Part-time, Corporate and Administrative, employees will be paid for the following holidays:

New Year's Day  
Martin Luther King, Jr. Day  
President's Day  
Memorial Day  
Juneteenth National Independence Day  
Independence Day  
Labor Day

Columbus Day

Veterans' Day

Thanksgiving Day

Christmas Day

\*\*Please refer to the yearly Corporate Holiday Schedule for any changes to this list.

Eligible employees must work the day before and the day after the holiday(s) in order to receive holiday pay unless the time off is approved in advance. Calling off sick, no call no shows or any other unapproved absence either the day prior and/or after will disqualify you from receiving holiday pay.

Eligible employees who are called into work on a holiday will receive up to eight (8) hours' pay at their regular straight-time rate and an additional payment of straight-time for the actual time they work that day. Excluding exempt paid employees.

If a holiday falls within an eligible employee's approved vacation period, the eligible employee will be paid for the holiday (at the regular straight-time rate) in lieu of the vacation day.

If a holiday falls within a bereavement leave, the eligible employee will be paid for the holiday (at the regular straight-time rate) in addition to the leave day.

All remaining eligible employees who work a minimum of one day of the week when one of the aforementioned holidays occurs, an average of the hours worked for that week will be calculated and the output will be paid to the employee.

## 4-3. Paid Vacations

Hi Pro Inc. appreciates how hard employees work and recognizes the importance of providing time for rest and relaxation. Hi Pro Inc. fully encourages employees to get this rest by taking vacation time.

- Vacation is earned on a pro-rata basis throughout the year based on hours worked. Vacations should be taken after the year earned.
- Earned, unused vacation time cannot be carried over into the following year.
- Vacation time may be cashed out with a written request. Please allow two pay periods for processing.
- The length of eligible service is calculated on the basis of an employee's continuous, active employment with Hi Pro, Inc. In the event an employee is rehired by Hi Pro, Inc following the termination of his or her employment for any reason, the employee's previous service will not count towards the employee's length of eligible service for purposes of this policy.
- Every effort will be made to grant employees' vacation preference, consistent with operating schedules. However, if too many employees request the same period of time off, Hi Pro Inc. reserves the right to choose who may take vacation during that period. Employees with the longest length of service will generally be given preference. Vacation requests must be submitted to managers at least four (4) weeks in advance of the requested vacation dates.
- No vacation time will be granted during Peak Season, seven (7) calendar days prior to Thanksgiving through January 7th each year, unless otherwise directed by the CEO. These dates are subject to change.
- Any earned, unused vacation is paid out upon separation, after the completion of one year of service.
- If you are on an approved leave of absence (e.g., Family and Medical Leave), you may be required to use your available unused vacation days during the leave of absence.
- All employees are considered key employees. Without you, we cannot operate smoothly. Being that you are a key employee of the company, no employee will be granted more than seven (7) consecutive work days off for vacation at a time.

Full-time and Part-time **Mail-Hauling** employees earn paid vacation time based on your postal hire date. Review the contracts' Wage Determination for the current rates. Although contracts vary, the average is as follows:

1 Year: One Week (5 days/40 hours)**	2 Years: Two Weeks (10 days/80 hours)**
10 Years: Three Weeks (15 days/ 120 hours)**	20 Years: Four Weeks (20 days/ 160 hours)**

\*\*Please refer to the contracts Wage Determination

Full-time and Part-time **Administrative** employees earn paid vacation time as follows, based on your employment anniversary date:

1 Year: One Week (5 days/40 hours);	2 Years: Two Weeks (10 days/80 hours)	5
Years: Three Weeks (15 days/ 120 hours)	10 Years: Four Weeks (20 days/ 160 hours)	

### **Exempt Management Only:**

1 Year: Two Weeks (10 days/80 hours);	2 Years: Two + Weeks (12 days/96 hours)
5 Years: Three Weeks (15 days/ 120 hours)	10 Years: Four Weeks (20 days/ 160 hours)

## 4-4. Paid Personal Days

Hi Pro Inc does not have paid personal day(s).

You may request to take a personal day, with your manager's approval. However, it will be unpaid, unless available vacation time is used.

## 4-5. Kansas - Earned Sick Time

### Eligibility

Hi Pro Inc. provides earned paid sick time to employees who work in Kansas. For employees who work in Kansas who are eligible for sick time under the general Paid Sick Time policy.

### Accrual

Employees begin accruing paid sick leave at the start of employment. Paid sick leave will accumulate at the rate of one (1) hour for every 30 hours worked, up to a total maximum accrual of three (3) days or 24 hours each calendar year (January – December).

### Usage

Employees can use accrued paid sick leave beginning on the 90th day of employment. Paid sick leave may be used in minimum increments of one (1) hour.

Paid sick leave may be used for the following reasons:

- For diagnosis, care or treatment of an existing health condition of or preventive care for, the employee or the employee's family member (meaning a child, including biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stands in loco parentis, all regardless of age or dependency status); spouse; registered domestic partner; parent (including biological, adoptive or foster parent, stepparent or legal guardian of the employee or the employee's spouse or registered domestic partner or a person who stood in loco parentis when the employee was a minor child); grandparent; grandchild; or a sibling; or
- For the employee who is a victim of domestic violence, sexual assault, or stalking:
  1. to obtain or attempt to obtain a temporary restraining order, restraining order or other injunctive relief;
  2. to help ensure the health, safety or welfare of the victim or the victim's child;
  3. to seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
  4. to obtain services from a domestic violence shelter, program, or rape crisis center because of domestic violence, sexual assault, or stalking;
  5. to obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; or
  6. to participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

Employees will be notified of their available paid sick leave on each itemized wage statement.

Employees must complete a Time Off Request Form, which must be turned into Payroll no later than the Friday before the pay period ends if they wish to be paid for absences that meet the reasons set forth above to the extent that they have earned paid sick time available. Hi Pro Inc., will not assume that employees want to use available earned paid sick time for absences and employees will not be paid for such absences without a completed signed/approved Time Off Request Form.

### Notice and Documentation

A notice to the Employee's Supervisor must be given in writing. If the need for paid sick leave is foreseeable, the employee must provide reasonable advance notification. If the need for paid sick leave is unforeseeable, the employee must provide notice of the need for the leave as soon as practicable. For earned paid sick time of three (3) or more consecutive workdays, Hi Pro Inc. requires reasonable documentation that the earned paid sick time has been used for a covered purpose. Hi Pro, Inc. reserves the right to request documentation for paid sick leave after any number of days.

### Payment

Eligible employees will receive payment for paid sick leave at the same wage as the employee normally earns during regular work hours, unless otherwise required by applicable law, by the next regular payroll period after the leave is taken. Use of paid sick leave is not considered hours worked for purposes of calculating overtime.



**Carryover and Payout**

Accrued paid sick leave carries over from year to year but is subject to the accrual cap of six (6) days or 48 hours. Once the accrual cap is reached, paid sick leave will stop accruing until some paid sick leave is used. Accrued but unused paid sick leave under this policy will not be paid at separation. Sick leave cannot be taken at the end of your employment with Hi Pro, Inc.

If employees have any questions regarding this policy, they should contact the Head of Human Resources.

## 4-6. New Hampshire - Earned Sick Time

### Eligibility

Hi Pro Inc. provides earned paid sick time to employees who work in New Hampshire. For employees who work in New Hampshire who are eligible for sick time under the general Paid Sick Time policy.

### Accrual

Employees begin accruing paid sick leave at the start of employment. Paid sick leave will accumulate at the rate of one (1) hour for every 30 hours worked, up to a total maximum accrual of three (3) days or 24 hours each calendar year (January – December).

### Usage

Employees can use accrued paid sick leave beginning on the 90th day of employment. Paid sick leave may be used in minimum increments of one (1) hour.

Paid sick leave may be used for the following reasons:

- For diagnosis, care or treatment of an existing health condition of or preventive care for, the employee or the employee's family member (meaning a child, including biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stands in loco parentis, all regardless of age or dependency status); spouse; registered domestic partner; parent (including biological, adoptive or foster parent, stepparent or legal guardian of the employee or the employee's spouse or registered domestic partner or a person who stood in loco parentis when the employee was a minor child); grandparent; grandchild; or a sibling; or
- For the employee who is a victim of domestic violence, sexual assault, or stalking:
  1. to obtain or attempt to obtain a temporary restraining order, restraining order or other injunctive relief;
  2. to help ensure the health, safety or welfare of the victim or the victim's child;
  3. to seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
  4. to obtain services from a domestic violence shelter, program, or rape crisis center because of domestic violence, sexual assault, or stalking;
  5. to obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; or
  6. to participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

Employees will be notified of their available paid sick leave on each itemized wage statement.

Employees must complete a Time Off Request Form, which must be turned into Payroll no later than the Friday before the pay period ends if they wish to be paid for absences that meet the reasons set forth above to the extent that they have earned paid sick time available. Hi Pro Inc., will not assume that employees want to use available earned paid sick time for absences and employees will not be paid for such absences without a completed signed/approved Time Off Request Form

### Notice and Documentation

A notice to the Employee's Supervisor must be given in writing. If the need for paid sick leave is foreseeable, the employee must provide reasonable advance notification. If the need for paid sick leave is unforeseeable, the employee must provide notice of the need for the leave as soon as practicable. For earned paid sick time of three (3) or more consecutive workdays, Hi Pro Inc. requires reasonable documentation that the earned paid sick time has been used for a covered purpose. Hi Pro, Inc. reserves the right to request documentation for paid sick leave after any number of days.

### Payment

Eligible employees will receive payment for paid sick leave at the same wage as the employee normally earns during regular work hours, unless otherwise required by applicable law, by the next regular payroll period after the leave is taken. Use of paid sick leave is not considered hours worked for purposes of calculating overtime.

**Carryover and Payout**

Accrued paid sick leave carries over from year to year but is subject to the accrual cap of six (6) days or 48 hours. Once the accrual cap is reached, paid sick leave will stop accruing until some paid sick leave is used. Accrued but unused paid sick leave under this policy will not be paid at separation. Sick leave cannot be taken at the end of your employment with Hi Pro, Inc.

If employees have any questions regarding this policy, they should contact the Head of Human Resources.

## 4-7. Oklahoma - Earned Sick Time

### Eligibility

Hi Pro Inc. provides earned paid sick time to employees who work in Oklahoma. For employees who work in Oklahoma who are eligible for sick time under the general Paid Sick Time policy.

### Accrual

Employees begin accruing paid sick leave at the start of employment. Paid sick leave will accumulate at the rate of one (1) hour for every 30 hours worked, up to a total maximum accrual of three (3) days or 24 hours each calendar year (January – December).

### Usage

Employees can use accrued paid sick leave beginning on the 90th day of employment. Paid sick leave may be used in minimum increments of one (1) hour.

Paid sick leave may be used for the following reasons:

- For diagnosis, care or treatment of an existing health condition of or preventive care for, the employee or the employee's family member (meaning a child, including biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stands in loco parentis, all regardless of age or dependency status); spouse; registered domestic partner; parent (including biological, adoptive or foster parent, stepparent or legal guardian of the employee or the employee's spouse or registered domestic partner or a person who stood in loco parentis when the employee was a minor child); grandparent; grandchild; or a sibling; or
- For the employee who is a victim of domestic violence, sexual assault, or stalking:
  1. to obtain or attempt to obtain a temporary restraining order, restraining order or other injunctive relief;
  2. to help ensure the health, safety or welfare of the victim or the victim's child;
  3. to seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
  4. to obtain services from a domestic violence shelter, program or rape crisis center because of domestic violence, sexual assault, or stalking;
  5. to obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; or
  6. to participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

Employees will be notified of their available paid sick leave on each itemized wage statement.

Employees must complete a Time Off Request Form, which must be turned into Payroll no later than the Friday before the pay period ends if they wish to be paid for absences that meet the reasons set forth above to the extent that they have earned paid sick time available. Hi Pro Inc., will not assume that employees want to use available earned paid sick time for absences and employees will not be paid for such absences without a completed signed/approved Time Off Request Form.

### Notice and Documentation

A notice to the Employee's Supervisor must be given in writing. If the need for paid sick leave is foreseeable, the employee must provide reasonable advance notification. If the need for paid sick leave is unforeseeable, the employee must provide notice of the need for the leave as soon as practicable. For earned paid sick time of three (3) or more consecutive workdays, Hi Pro Inc. requires reasonable documentation that the earned paid sick time has been used for a covered purpose. Hi Pro, Inc. reserves the right to request documentation for paid sick leave after any number of days.

### Payment

Eligible employees will receive payment for paid sick leave at the same wage as the employee normally earns during regular work hours, unless otherwise required by applicable law, by the next regular payroll period after the leave is taken. Use of paid sick leave is not considered hours worked for purposes of calculating overtime.

**Carryover and Payout**

Accrued paid sick leave carries over from year to year but is subject to the accrual cap of six (6) days or 48 hours. Once the accrual cap is reached, paid sick leave will stop accruing until some paid sick leave is used. Accrued but unused paid sick leave under this policy will not be paid at separation. Sick leave cannot be taken at the end of your employment with Hi Pro, Inc.

If employees have any questions regarding this policy, they should contact the Head of Human Resources.

## 4-8. Texas - Earned Sick Time

### Eligibility

Hi Pro Inc. provides earned paid sick time to employees who work in Texas. For employees who work in Texas who are eligible for sick time under the general Paid Sick Time policy.

### Accrual

Employees begin accruing paid sick leave at the start of employment. Paid sick leave will accumulate at the rate of one (1) hour for every 30 hours worked, up to a total maximum accrual of three (3) days or 24 hours each calendar year (January – December).

### Usage

Employees can use accrued paid sick leave beginning on the 90th day of employment. Paid sick leave may be used in minimum increments of one (1) hour.

Paid sick leave may be used for the following reasons:

- For diagnosis, care or treatment of an existing health condition of or preventive care for, the employee or the employee's family member (meaning a child, including biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stands in loco parentis, all regardless of age or dependency status); spouse; registered domestic partner; parent (including biological, adoptive or foster parent, stepparent or legal guardian of the employee or the employee's spouse or registered domestic partner or a person who stood in loco parentis when the employee was a minor child); grandparent; grandchild; or a sibling; or
- For the employee who is a victim of domestic violence, sexual assault, or stalking:
  1. to obtain or attempt to obtain a temporary restraining order, restraining order or other injunctive relief;
  2. to help ensure the health, safety or welfare of the victim or the victim's child;
  3. to seek medical attention for injuries caused by domestic violence, sexual assault, or stalking;
  4. to obtain services from a domestic violence shelter, program or rape crisis center because of domestic violence, sexual assault, or stalking;
  5. to obtain psychological counseling related to an experience of domestic violence, sexual assault, or stalking; or
  6. to participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault, or stalking, including temporary or permanent relocation.

Employees will be notified of their available paid sick leave on each itemized wage statement.

Employees must complete a Time Off Request Form, which must be turned into Payroll no later than the Friday before the pay period ends if they wish to be paid for absences that meet the reasons set forth above to the extent that they have earned paid sick time available. Hi Pro Inc., will not assume that employees want to use available earned paid sick time for absences and employees will not be paid for such absences without a completed signed/approved Time Off Request Form.

### Notice and Documentation

A notice to the Employee's Supervisor must be given in writing. If the need for paid sick leave is foreseeable, the employee must provide reasonable advance notification. If the need for paid sick leave is unforeseeable, the employee must provide notice of the need for the leave as soon as practicable. For earned paid sick time of three (3) or more consecutive workdays, Hi Pro Inc. requires reasonable documentation that the earned paid sick time has been used for a covered purpose. Hi Pro, Inc. reserves the right to request documentation for paid sick leave after any number of days.

### Payment

Eligible employees will receive payment for paid sick leave at the same wage as the employee normally earns during regular work hours, unless otherwise required by applicable law, by the next regular payroll period after the leave is taken. Use of paid sick leave is not considered hours worked for purposes of calculating overtime.

**Carryover and Payout**

Accrued paid sick leave carries over from year to year but is subject to the accrual cap of six (6) days or 48 hours. Once the accrual cap is reached, paid sick leave will stop accruing until some paid sick leave is used. Accrued but unused paid sick leave under this policy will not be paid at separation. Sick leave cannot be taken at the end of your employment with Hi Pro, Inc.

If employees have any questions regarding this policy, they should contact the Head of Human Resources.

## 4-9. Paid Pregnancy Disability Benefits

Hi Pro Inc does not offer paid maternity benefits. However, paid maternity benefits may be claimed by full-time employees who have worked at Hi Pro Inc. for at least 12 consecutive months, following the birth of a child through your local state disability program. Contact your state disability office for further information on benefits.

This is solely a monetary benefit and not a leave of absence. Employees who will be out of work must also request a formal leave of absence. See the "Leaves of Absence" section of this handbook for more information.

## 4-10. Lactation Breaks

Hi Pro Inc. will provide a reasonable amount of break time to accommodate employees desiring to express breast milk for their infant child, in accordance with and to the extent required by applicable law. The break time, if possible, must run concurrently with rest and meal periods already provided. If the break time cannot run concurrently with rest and meal periods already provided, the break time will be unpaid, subject to applicable law.

Hi Pro Inc. will make reasonable efforts to provide employees with the use of a room or location other than a toilet stall to express milk in private. This location may be the employee's private office, if applicable. Hi Pro Inc. may not be able to provide additional break time if doing so would seriously disrupt Hi Pro Inc.'s operations, subject to applicable law. Please consult Human Resources with questions regarding this policy.

Employees should advise management if they need break time and an area for this purpose. Employees will not be discriminated against or retaliated against for exercising their rights under this policy.

## 4-11. Workers' Compensation

On-the-job injuries are covered by Hi Pro Inc.'s Workers' Compensation Insurance Policy, which is provided at no cost. If employees are injured on the job, no matter how small, they should report the incident immediately to their supervisor. Failure to follow Hi Pro Inc. procedures may affect the ability of employees to receive Workers Compensation benefits.

This is solely a monetary benefit and not a leave of absence entitlement. Employees who need to miss work due to a workplace injury must also request a formal leave of absence. See the Leave of Absence section of this handbook for more information.

## 4-12. Jury Duty

Hi Pro Inc. realizes that it is the obligation of all U.S. citizens to serve on a jury when summoned to do so. All employees will be allowed time off to perform such civic service as required by law. Employees are expected, however, to provide proper notice of a request to perform jury duty and verification of their service.

Employees also are expected to keep management informed of the expected length of jury duty service and to report to work for the major portion of the day if excused by the court. If the required absence presents a serious conflict with management, employees may be asked to try to postpone jury duty.

Employees on jury duty leave will not be paid for their jury duty service unless it is required in accordance with state law; however, exempt employees will be paid their full salary for any week in which time is missed due to jury duty if work is performed for Hi Pro Inc. during such week.



## 4-13. Bereavement Leave

The death of a family member is a time when employees wish to be with their families. If the employee is full-time or part-time and loses a close relative, the employee will be allowed paid time off of up to 2 (up to 16 hours) days to assist in attending to obligations and commitments. For the purposes of this policy, a close relative includes a spouse, domestic/civil union partner, child, parent, sibling, current mother-in-law, current father-in-law or any other relation required by applicable law. Paid leave days may only be taken on regularly scheduled, consecutive workdays within seven (7) days of the death. Employees must inform their supervisor prior to commencing bereavement leave. In administering this policy, Hi Pro Inc. may require verification of death.

## 4-14. Voting Leave

In the event employees do not have sufficient time outside of working hours to vote in a statewide election, if required by state law, the employee may take off enough working time to vote. Such time will be paid if required by state law. This time should be taken at the beginning or end of the regular work schedule. Where possible, supervisors should be notified at least two (2) days prior to the voting day.

## 4-15. Insurance Programs

All mail-hauling employees will participate in Hi Pro Inc. insurance programs. Under these plans, employees will receive a comprehensive benefit package for themselves at no cost, with an option to add dependents.

All administrative employees may participate in Hi Pro Inc. insurance programs. Under these plans, employees will receive a comprehensive benefit package for themselves at no cost, with an option to add dependents.

Upon becoming eligible to participate in these plans, employees will receive summary plan descriptions (SPDs) describing the benefits in greater detail. Please refer to the SPDs for detailed plan information. Of course, feel free to contact Human Resources or the Benefits Administrator with any further questions.

## 4-16. Long-Term Disability Benefits

Hi Pro Inc does not offer a Long-Term Disability plan to employees at this time. Some states may have their own disability program that you may qualify for.

This is not a leave of absence. Employees who will be out of work must also request a formal leave of absence. See the Leave of Absence section of this handbook for more information.

## 4-17. Salary Continuation

Hi Pro Inc. does not provide enhanced monetary short-term disability benefits to employees. These benefits are inclusive of any monetary workers' compensation.

This is not a leave of absence provision. Employees who will be out of work must request a leave of absence. See the Leave of Absence section of this handbook for more information.

## **4-18. Employee Assistance Program**

Hi Pro Inc. provides the Employee Assistance Program through your medical insurance plan, which offers qualified counselors to help employees cope with personal problems they may be facing. Further details can be obtained through Hi Pro, Inc.'s insurance carrier.

## **4-19. Retirement Plan**

Eligible mail-hauling employees are able to participate in a Hi Pro Inc.'s profit sharing plan.

Upon becoming eligible to participate in this plan, employees will receive an SPD describing the plan in greater detail. Please refer to the SPD for detailed plan information. Of course, feel free to speak to Human Resources if there are any further questions.

## **4-20. Employee Referral Awards**

Hi Pro Inc. encourages all employees to refer qualified job applicants for available job openings. Other than managers in the line of authority and all Human Resources personnel, all employees are eligible to receive employee referral awards. When making referrals, instruct the applicant to list the employee's name on their employment application as the referral source. If the referral is hired and completes 3 months of service and the employee is still the employee of Hi Pro Inc., the employee is eligible to receive a monetary award. The reward is currently a gross amount of \$125 for regular part-time hires and \$350 for regular full-time hires.

## Section 5 - Leaves Of Absence

### 5-1. Personal Leave

If employees are ineligible for any other Hi Pro Inc. leave of absence, Hi Pro Inc., under certain circumstances, may grant a personal leave of absence without pay. A written request for a personal leave should be presented to management at least two (2) weeks before the anticipated start of the leave. If the leave is requested for medical reasons and employees are not eligible for leave under the federal Family and Medical Leave Act (FMLA) or any state leave law, medical certification also must be submitted. The request will be considered on the basis of staffing requirements and the reasons for the requested leave, as well as performance and attendance records. Normally, a leave of absence will be granted for a period of up to eight (8) weeks. However, a personal leave may be extended if, prior to the end of leave, employees submit a written request for an extension to management and the request is granted. During the leave, employees will not earn vacation, personal days or sick days. Hi Pro Inc. will continue health insurance coverage during the leave if employees submit their share of the monthly premium payments to Hi Pro Inc. in a timely manner, subject to the terms of the plan documents.

When the employees anticipate returning to work, they should notify management of the expected return date. This notification should be made at least one (1) week before the end of the leave.

Upon completion of the personal leave of absence, Hi Pro Inc. will attempt to return employees to their original job or a similar position, subject to prevailing business considerations. Reinstatement, however, is not guaranteed.

Failure to advise management of availability to return to work, failure to return to work when notified or a continued absence from work beyond the time approved by Hi Pro Inc. will be considered a voluntary resignation of employment.

Personal leave runs concurrently with any Hi Pro Inc.-provided Short-Term Disability Leave of Absence.

### 5-2. Military Leave

If employees are called into active military service or enlist in the uniformed services, they will be eligible to receive an unpaid military leave of absence. To be eligible for military leave, employees must provide management with advance notice of service obligations unless they are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable to provide such notice. Provided the absence does not exceed applicable statutory limitations, employees will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws. Employees should ask management for further information about eligibility for Military Leave.

If employees are required to attend yearly Reserves or National Guard duty, they can apply for an unpaid temporary military leave of absence not to exceed the number of days allowed by law (including travel). They should give management as much advance notice of their need for military leave as possible so that Hi Pro Inc. can maintain proper coverage while employees are away.

## 5-3. Family And Medical Leave

### The Leave Policy

Employees may be entitled to a leave of absence under the Family and Medical Leave Act (FMLA). This policy provides employees information concerning FMLA entitlements and obligations employees may have during such leaves. If employees have any questions concerning FMLA leave, they should contact the Head of Human Resources.

#### I. Eligibility

FMLA leave is available to "eligible employees." To be an "eligible employee," the employee must: 1) have been employed by Hi Pro Inc. for at least 12 months (which need not be consecutive); 2) have been employed by Hi Pro Inc. for at least 1,250 hours of service during the 12-month period immediately preceding the commencement of the leave; and 3) be employed at a worksite where 50 or more employees are located within 75 miles of the worksite.

Special hours of service eligibility requirements apply to airline flight crew employees.

#### II. Entitlements

As described below, the FMLA provides eligible employees with a right to leave, health insurance benefits and, with some limited exceptions, job restoration.

##### A. Basic FMLA Leave Entitlement

The FMLA provides eligible employees up to 12 workweeks of unpaid leave for certain family and medical reasons during a 12-month period. The 12-month period is determined based on a rolling 12-month period measured backward from the date the employee uses their FMLA leave. Leave may be taken for any one, or for a combination, of the following reasons:

- To care for the employee's child after birth or placement for adoption or foster care;
- To care for the employee's spouse, son, daughter or parent (but not in-law) who has a **serious health condition**;
- For the employee's own serious health condition (including any period of incapacity due to pregnancy, prenatal medical care or childbirth), that makes the employee unable to perform one or more of the essential functions of the employee's job; and/or
- Because of any **qualifying exigency** arising out of the fact that the employee's spouse, son, daughter or parent is a military member on covered active duty or called to cover active duty status (or has been notified of an impending call or order to cover active duty) in the Reserves component of the Armed Forces for deployment to a foreign country in support of contingency operation or Regular Armed Forces for deployment to a foreign country.

A **serious health condition** is an illness, injury, impairment or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents employees from performing the functions of their job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

**Qualifying exigencies** may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

##### B. Additional Military Family Leave Entitlement (Injured Servicemember Leave)

In addition to the basic FMLA leave entitlement discussed above, an eligible employee who is the spouse, son, daughter, parent or next of kin of a **covered servicemember** is entitled to take up to 26 weeks of leave during a single 12-month period to care for the servicemember with a serious injury or illness. Leave to care for a servicemember shall only be available during a single-12-month period and, when combined with other FMLA-qualifying leave, may not exceed 26 weeks during the single 12-month

period. The single 12-month period begins on the first day when an eligible employee takes leave to care for the injured servicemember.

A "**covered servicemember**" is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status or is on the temporary retired list, for a serious injury or illness. These individuals are referred to in this policy as "current members of the Armed Forces." **Covered servicemembers** also include a veteran who is discharged or released from military services under condition other than dishonorable at any time during the five years preceding the date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as "covered veterans."

The FMLA definitions of a "serious injury or illness" for current Armed Forces members and covered veterans are distinct from the FMLA definition of "serious health condition" applicable to FMLA leave to care for a covered family member.

### **C. Intermittent Leave and Reduced Leave Schedules**

FMLA leave will usually be taken for a period of consecutive days, weeks or months. However, employees also are entitled to take FMLA leave intermittently or on a reduced leave schedule when medically necessary due to a serious health condition of the employee or covered family member or the serious injury or illness of a covered service member. Qualifying exigency leave also may be taken on an intermittent basis.

### **D. No Work While on Leave**

The taking of another job while on family/medical leave or any other authorized leave of absence is grounds for immediate discharge, to the extent permitted by law.

### **E. Protection of Group Health Insurance Benefits**

During FMLA leave, eligible employees are entitled to receive group health plan coverage on the same terms and conditions as if they had continued to work.

### **F. Restoration of Employment and Benefits**

At the end of FMLA leave, subject to some exceptions including situations where job restoration of "key employees" will cause Hi Pro Inc. substantial and grievous economic injury, employees generally have a right to return to the same or equivalent positions with equivalent pay, benefits and other employment terms. Hi Pro Inc. will notify employees if they qualify as "key employees," if it intends to deny reinstatement, and of their rights in such instances. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee's FMLA leave.

### **G. Notice of Eligibility for, and Designation of, FMLA Leave**

Employees requesting FMLA leave are entitled to receive written notice from Hi Pro Inc. telling them whether they are eligible for FMLA leave and, if not eligible, the reasons why they are not eligible. When eligible for FMLA leave, employees are entitled to receive written notice of: 1) their rights and responsibilities in connection with such leave; 2) Hi Pro Inc.'s designation of leave as FMLA-qualifying or non-qualifying, and if not FMLA-qualifying, the reasons why; and 3) the amount of leave, if known, that will be counted against the employee's leave entitlement.

Hi Pro Inc. may retroactively designate leave as FMLA leave with appropriate written notice to employees provided Hi Pro Inc.'s failure to designate leave as FMLA-qualifying at an earlier date did not cause harm or injury to the employee. In all cases where leaves qualify for FMLA protection, Hi Pro Inc. and employee can mutually agree that leave be retroactively designated as FMLA leave.

## **III. Employee FMLA Leave Obligations**

### **A. Provide Notice of the Need for Leave**

Employees who take FMLA leave must timely notify Hi Pro Inc. of their need for FMLA leave. The following describes the content and timing of such employee notices.

#### **1. Content of Employee Notice**

To trigger FMLA leave protections, employees must inform the Head of Human Resources of the need for FMLA-qualifying leave and the anticipated timing and duration of the leave, if known. Employees may do this by either requesting FMLA leave specifically, or explaining the reasons for leave so as to allow Hi Pro Inc. to determine that the leave is FMLA-qualifying. For

example, employees might explain that:

- a medical condition renders them unable to perform the functions of their job;
- they are pregnant or have been hospitalized overnight;
- they or a covered family member are under the continuing care of a health care provider;
- the leave is due to a qualifying exigency caused by a military member being on covered active duty or called to covered active duty status to a foreign country; or
- if the leave is for a family member, that the condition renders the family member unable to perform daily activities or that the family member is a covered servicemember with a serious injury or illness.

Calling in "sick," without providing the reasons for the needed leave, will not be considered sufficient notice for FMLA leave under this policy. Employees must respond to Hi Pro Inc.'s questions to determine if absences are potentially FMLA-qualifying.

If employees fail to explain the reasons for FMLA leave, the leave may be denied. When employees seek leave due to FMLA-qualifying reasons for which Hi Pro Inc. has previously provided FMLA-protected leave, they must specifically reference the qualifying reason for the leave or the need for FMLA leave.

## **2. Timing of Employee Notice**

Employees must provide 30 days' advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, or the approximate timing of the need for leave is not foreseeable, employees must provide Hi Pro Inc. notice of the need for leave as soon as practicable under the facts and circumstances of the particular case. Employees who fail to give 30 days' notice for foreseeable leave without a reasonable excuse for the delay, or otherwise fail to satisfy FMLA notice obligations, may have FMLA leave delayed or denied.

### **B. Cooperate in the Scheduling of Planned Medical Treatment (Including Accepting Transfers to Alternative Positions) and Intermittent Leave or Reduced Leave Schedules**

When planning medical treatment, employees must consult with Hi Pro Inc. and make a reasonable effort to schedule treatment so as not to unduly disrupt Hi Pro Inc.'s operations, subject to the approval of the employee's health care provider. Employees must consult with Hi Pro Inc. prior to the scheduling of treatment to work out a treatment schedule that best suits the needs of both Hi Pro Inc. and the employees, subject to the approval of the employee's health care provider. If employees providing notice of the need to take FMLA leave on an intermittent basis for planned medical treatment neglect to fulfill this obligation, Hi Pro Inc. may require employees to attempt to make such arrangements, subject to the approval of the employee's health care provider.

When employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for the employee or a family member, including during a period of recovery from a serious health condition or to care for a covered servicemember, Hi Pro Inc. may temporarily transfer employees, during the period that the intermittent or reduced leave schedules are required, to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

When employees seek intermittent leave or a reduced leave schedule for reasons unrelated to the planning of medical treatment, upon request, employees must advise Hi Pro Inc. of the reason why such leave is medically necessary. In such instances, Hi Pro Inc. and employee shall attempt to work out a leave schedule that meets the employee's needs without unduly disrupting Hi Pro Inc.'s operations, subject to the approval of the employee's health care provider.

### **C. Submit Medical Certifications Supporting Need for FMLA Leave (Unrelated to Requests for Military Family Leave)**

Depending on the nature of FMLA leave sought, employees may be required to submit medical certifications supporting their need for FMLA-qualifying leave. As described below, there generally are three types of FMLA medical certification: an **initial certification**, a **recertification** and a **return to work/fitness for duty certification**.

It is the employee's responsibility to provide Hi Pro Inc. with timely, complete and sufficient medical certification. Whenever Hi Pro Inc. requests employees to provide FMLA medical certifications, employees must provide the requested certifications within 15 calendar days after Hi Pro Inc.'s request, unless it is not practicable to do so despite the employee's diligent, good faith efforts. Hi Pro Inc. will inform employees if submitted medical certifications are incomplete or insufficient and provide employees at least seven calendar days to cure deficiencies. Hi Pro Inc. will deny FMLA leave to employees who fail to timely cure deficiencies or otherwise fail to timely submit requested medical certifications.

With the employee's permission, Hi Pro Inc. (through individuals other than the employee's direct supervisor) may contact the

employee's health care provider to authenticate or clarify completed and sufficient medical certifications. If employees choose not to provide Hi Pro Inc. with authorization allowing them to clarify or authenticate certifications with health care providers, Hi Pro Inc. may deny FMLA leave if certifications are unclear.

Whenever Hi Pro Inc. deems it appropriate to do so, it may waive its right to receive timely, complete and/or sufficient FMLA medical certifications.

### **1. Initial Medical Certifications**

Employees requesting leave because of their own, or a covered relation's, serious health condition, or to care for a covered servicemember, must supply medical certification supporting the need for such leave from their health care provider or, if applicable, the health care provider of their covered family or service member. If employees provide at least 30 days' notice of medical leave, they should submit the medical certification before leave begins. A new initial medical certification will be required on an annual basis for serious medical conditions lasting beyond a single leave year.

If Hi Pro Inc. has reason to doubt initial medical certifications, it may require employees to obtain a second opinion at Hi Pro Inc.'s expense. If the opinions of the initial and second health care providers differ, Hi Pro Inc. may, at its expense, require employees to obtain a third, final and binding certification from a health care provider designated or approved jointly by Hi Pro Inc. and the employee.

### **2. Medical Recertifications**

Depending on the circumstances and duration of FMLA leave, Hi Pro Inc. may require employees to provide recertification of medical conditions giving rise to the need for leave. Hi Pro Inc. will notify employees if recertification is required and will give employees at least 15 calendar days to provide medical recertification.

### **3. Return to Work/Fitness for Duty Medical Certifications**

Unless notified that providing such certifications is not necessary, employees returning to work from FMLA leaves that were taken because of their own serious health conditions that made them unable to perform their jobs must provide Hi Pro Inc. with medical certification confirming they are able to return to work and the employees' ability to perform the essential functions of the employees' position, with or without reasonable accommodation. Hi Pro Inc. may delay and/or deny job restoration until employees provide return to work/fitness for duty certifications.

### **D. Submit Certifications Supporting Need for Military Family Leave**

Upon request, the first time employees seek leave due to qualifying exigencies arising out of the covered active duty or call to covered active duty status of a military member, Hi Pro Inc. may require employees to provide: 1) a copy of the military member's active duty orders or other documentation issued by the military indicating the military member is on covered active duty or call to covered active duty status and the dates of the military member's covered active duty service; and 2) a certification from the employee setting forth information concerning the nature of the qualifying exigency for which leave is requested. Employees shall provide a copy of new active duty orders or other documentation issued by the military for leaves arising out of qualifying exigencies arising out of a different covered active duty or call to covered active duty status of the same or a different military member.

When leave is taken to care for a covered servicemember with a serious injury or illness, Hi Pro Inc. may require employees to obtain certifications completed by an authorized health care provider of the covered servicemember. In addition, and in accordance with the FMLA regulations, Hi Pro Inc. may request that the certification submitted by employees set forth additional information provided by the employee and/or the covered servicemember confirming entitlement to such leave.

### **E. Substitute Paid Leave for Unpaid FMLA Leave**

Employees may use any accrued paid time while taking unpaid FMLA leave.

The substitution of paid time for unpaid FMLA leave time does not extend the length of FMLA leave and the paid time will run concurrently with the employee's FMLA entitlement.

Leaves of absence taken in connection with a disability leave plan or workers' compensation injury/illness shall run concurrently with any FMLA leave entitlement. Upon written request, Hi Pro Inc. will allow employees to use accrued paid time to supplement any paid disability benefits.

### **F. Pay Employee's Share of Health Insurance Premiums**

During FMLA leave, employees are entitled to continued group health plan coverage under the same conditions as if they had continued to work. Unless Hi Pro Inc. notifies employees of other arrangements, whenever employees are receiving pay from Hi Pro Inc. during FMLA leave, Hi Pro Inc. will deduct the employee portion of the group health plan premium from the employee's paycheck in the same manner as if the employee was actively working.

If FMLA leave is unpaid, employees must pay their portion of the group health premium through a method determined by Hi Pro Inc. upon leave.

Hi Pro Inc.'s obligation to maintain health care coverage ceases if the employee's premium payment is more than 30 days late. If the employee's payment is more than 15 days late, Hi Pro Inc. will send a letter notifying the employee that coverage will be dropped on a specified date unless the co-payment is received before that date. If employees do not return to work within 30 calendar days at the end of the leave period (unless employees cannot return to work because of a serious health condition or other circumstances beyond their control), they will be required to reimburse Hi Pro Inc. for the cost of the premiums Hi Pro Inc. paid for maintaining coverage during their unpaid FMLA leave.

#### **IV. Exemption for Highly Compensated Employees**

Hi Pro Inc. may choose not to return highly compensated employees (highest paid 10% of employees at a worksite or within 75 miles of that worksite) to their former or equivalent positions following a leave if restoration of employment will cause substantial economic injury to Hi Pro Inc. (This fact-specific determination will be made by Hi Pro Inc. on a case-by-case basis.) Hi Pro Inc. will notify employees if they qualify as a "highly compensated", if Hi Pro Inc. intends to deny reinstatement, and of the employee's rights in such instances.

#### **V. Questions and/or Complaints about FMLA Leave**

If you have questions regarding this FMLA policy, please contact the Head of Human Resources. Hi Pro Inc. is committed to complying with the FMLA and, whenever necessary, shall interpret and apply this policy in a manner consistent with the FMLA.

The FMLA makes it unlawful for employers to: 1) interfere with, restrain or deny the exercise of any right provided under FMLA; or 2) discharge or discriminate against any person for opposing any practice made unlawful by FMLA or involvement in any proceeding under or relating to FMLA. If employees believe their FMLA rights have been violated, they should contact the Head of Human Resources immediately. Hi Pro Inc. will investigate any FMLA complaints and take prompt and appropriate remedial action to address and/or remedy any FMLA violation. Employees also may file FMLA complaints with the United States Department of Labor or may bring private lawsuits alleging FMLA violations.

#### **VI. Coordination of FMLA Leave with Other Leave Policies**

The FMLA does not affect any federal, state or local law prohibiting discrimination, or supersede any state or local law that provides greater family or medical leave rights. For additional information concerning leave entitlements and obligations that might arise when FMLA leave is either not available or exhausted, please consult Hi Pro Inc.'s other leave policies in this handbook or contact the Head of Human Resources.



## Section 6 - General Standards Of Conduct

### 6-1. Workplace Conduct

Hi Pro Inc. endeavors to maintain a positive work environment. Each employee plays a role in fostering this environment. Accordingly, we all must abide by certain rules of conduct, based on honesty, common sense and fair play.

Because everyone may not have the same idea about proper workplace conduct, it is helpful to adopt and enforce rules all can follow. Unacceptable conduct may subject the offender to disciplinary action, up to and including discharge, in Hi Pro Inc.'s sole discretion. The following are examples of some, but not all, conduct which can be considered unacceptable:

1. Obtaining employment on the basis of false or misleading information.
2. Stealing, removing or defacing Hi Pro Inc. property or a co-worker's property, and/or disclosure of confidential information.
3. Completing another employee's time records.
4. Violation of safety rules and policies.
5. Violation of Hi Pro Inc.'s Drug and Alcohol-Free Workplace Policy.
6. Fighting, threatening or disrupting the work of others or other violations of Hi Pro Inc.'s Workplace Violence Policy.
7. Failure to follow lawful instructions of a supervisor.
8. Failure to perform assigned job duties.
9. Violation of the Punctuality and Attendance Policy, including but not limited to irregular attendance, habitual lateness or unexcused absences.
10. Gambling on Hi Pro Inc. property.
11. Willful or careless destruction or damage to Hi Pro Inc. assets or to the equipment or possessions of another employee.
12. Wasting work materials.
13. Performing work of a personal nature during work time.
14. Violation of the Solicitation and Distribution Policy.
15. Violation of Hi Pro Inc.'s Harassment or Equal Employment Opportunity Policies.
16. Violation of the Communication and Computer Systems Policy.
17. Unsatisfactory job performance.
18. Any other violation of Hi Pro Inc. policy.

Obviously, not every type of misconduct can be listed. Note that all employees are employed at-will, and Hi Pro Inc. reserves the right to impose whatever discipline it chooses, or none at all, in a particular instance. Hi Pro Inc. will deal with each situation individually and nothing in this handbook should be construed as a promise of specific treatment in a given situation. However, Hi Pro Inc. will endeavor to utilize progressive discipline but reserves the right in its sole discretion to terminate the employee at any time for any reason.

The observance of these rules will help to ensure that our workplace remains a safe and desirable place to work.

## 6-2. Disciplinary Action Policy

### Employee Conduct and Disciplinary Action

**Please note:** Employee conduct provisions are extremely important. The location of these provisions in this handbook and the order of the following provisions should in no way be construed to lessen the importance of any provision.

#### General policy

Rules of conduct for Hi Pro Inc. employees are intended to promote the orderly and efficient operation of Hi Pro Inc., as well as protect the rights of all employees. Violations, therefore, shall be regarded as cause for disciplinary action.

These rules are published for the employees' information and protection. Ignorance of work rules is not an acceptable excuse for violation. It is each employee's responsibility to know the rules and abide by them. These rules are not all-inclusive, and other departmental or company regulations may exist. Employees are expected to know and abide by these rules as well.

#### Rules of conduct for employees

Human Resources shall be consulted regarding the consistency of rule interpretation and appropriateness of the penalty being applied for violation of any of the following rules of conduct.

#### Section 1

For violation of any of the following rules, an employee shall be subject to penalties ranging from a formal written warning notice up to, and including, discharge.

- A. Neglect of duty.
- B. Insubordination or refusal to comply with employer's instructions, unless such instructions are injurious to the employee's safety and health.
- C. Conduct described below:
  1. Immoral or indecent conduct.
  2. Conviction of a felony.
  3. Conviction of a misdemeanor involving moral turpitude while an employee of Hi Pro Inc.
  4. Violation of local, state, or federal law, including HOS, which causes unfavorable publicity to Hi Pro Inc., impairs the credibility of the employee to perform the employee's job or is otherwise connected to Hi Pro Inc. employment.
- D. Intentional falsification of personnel records, payroll reports or other Corporate records.
- E. Theft, intentional destruction, or defacing of Hi Pro facilities and/or assets, employee or co-worker's property.
- F. Deliberate or careless conduct endangering the safety of self or other employees, including the provocation or instigation of violence.
- G. Consuming alcoholic beverages while on duty, except at approved Corporate functions, or the possession or consumption of illegal drugs.
- H. Abusive, threatening, or coercive treatment of another employee, staff or member of the public.
- I. Reporting for work in an unsafe condition, which includes, but is not limited to, being under the influence of alcoholic beverages or drugs. An employee who so reports shall be sent home without pay pending investigation.
- J. Knowingly admitting an unauthorized person or persons into any locked or restricted building or area of the USPS secure facilities without Postal consent.
- K. For other offenses of equal magnitude to the above.

When an employee engages in conduct in violation of the Section 1 rules and the conduct is committed off-duty and not on Corporate property, Hi Pro Inc. may discipline the employee, up to and including discharge, whenever the conduct causes unfavorable publicity to Hi Pro Inc., impairs the credibility of the employee to perform the employee's job or is otherwise connected to employment at Hi Pro Inc. Conduct that is off-duty but on Hi Pro Inc. property or that is directed towards Hi Pro Inc., its employees, representatives or property is always connected to employment at Hi Pro Inc. Likewise, conduct that is on

duty but off Hi Pro Inc. property is always connected to employment at Hi Pro Inc.

## Section 2

For the commission of any of the following offenses, an employee shall be subject to disciplinary action up to and including discharge. Disciplinary action for the same or different offenses shall progress in the following manner:

1. **Verbal warning.** Verbal statement to employee that he/she has violated a rule and/or regulation and that such violation may not continue.
2. **Written reprimand.** Formal notification in writing to an employee that he/she has violated a rule and/or regulation.
3. **Suspension.** Loss of work and wages for a specific number of hours or days, but not for more than one week, depending on the severity of the offense. Notice of suspension is provided to the employee in writing.
4. **Discharge.** The employer/employee relationship is severed.

If an employee receives four warning notices for the same or different offenses within a period of 12 consecutive months, the employee will, at the time of the issuance of the fourth such notice, be subject to discharge.

- A. Excessive absenteeism.
- B. Excessive tardiness.
- C. Inattentiveness to work, including but not limited to, failure to start work at the designated time, quitting work before the proper time, or leaving the assigned work area, building, or project during working hours without authorization from the appropriate supervisor.
- D. Posting unauthorized materials on walls or bulletin boards; defacing or removing authorized material from bulletin boards.
- E. Violation of a safety rule or safety practice.
- F. Smoking in prohibited areas.
- G. Failure to report for work without giving the supervisor or department head notice of absence at least two hours prior to the beginning of the scheduled workday.
- H. Vending, soliciting, or collecting contributions on Hi Pro Inc.'s time or premises without prior appropriate authorization from the Corporate Management.
- I. Gambling, lottery, or any other game of chance on the employer's premises during working hours.
- J. Any other offense of equal magnitude to the above.

## Confidential information

It is each employee's responsibility to become familiar with the provisions included in this policy.

The following policy governs the disclosure of confidential information held in any manner by employees of Hi Pro Inc. The purpose of this policy is to protect and safeguard individual and Hi Pro Inc. information used throughout the corporation.

1. For purposes of this policy, "confidential information" includes, but is not limited to:
  - a. Employee information and discipline records.
  - b. Non-public personal information, concerning employees including, but not limited to, Hi Pro Inc PIN numbers and/or identification numbers, information system user identification numbers and passwords, Social Security numbers, internal communications, banking or financial information, medical and health information, disability status or special needs, insurance information, and personal benefits information.
  - c. Hi Pro Inc.-related information which has not been publicly published or released with Corporate Management authorization, including but not limited to budget, financial, negotiation, bidding and other information.
  - d. Hi Pro Inc. research data, information and findings that are protected by law, contract or policy.
  - e. Information described as confidential under any other Hi Pro Inc. policy, rule or directive.
  - f. Other information and records which the employee is directed under proper authority to not disclose. Confidential information does not include information publicly disclosed by Hi Pro Inc. or which is required to be disclosed pursuant to law or contract.
2. All Hi Pro Inc. employees must hold any confidential information in trust and confidence, and not use or disclose it or any embodiment thereof, directly or indirectly, except as may be necessary in the performance of duties for the Corporation or as otherwise required by law or contract.

3. Hi Pro Inc. employees may not remove confidential information from any department or office, or duplicate confidential information, unless authorized by Corporate Management to do so. Upon termination of any assignment or as directed by a supervisor, employees shall return all such materials and copies thereof to their proper location in the department or office.
4. All requests by external entities or persons for the disclosure of confidential Corporate information should be promptly directed to Corporate Management unless the employee has received previous written Corporate authority to respond to such a request.
5. The policy does not prevent or prohibit the internal use of confidential information for the legitimate academic, administrative, and operational purposes and needs of Hi Pro Inc. as authorized by the Corporation. This policy does not prevent or prohibit employees from good faith disclosure of a violation(s) of law, contract or policy, either within the corporation or to the appropriate external body or authority, and such disclosure will not result in adverse employment action against the disclosed employee.
6. Questions regarding authorized disclosure or use under this policy should be directed to the employee's supervisor prior to disclosure or use.
7. Hi Pro Inc. employees who violate this policy will be subject to legal action, including but not limited to disciplinary action up to and including termination of their employment or contractual relationship.

### 6-3. Punctuality And Attendance

Employees are hired to perform important functions at Hi Pro Inc. As with any group effort, operating effectively takes cooperation and commitment from everyone. Therefore, attendance and punctuality are very important. Unnecessary absences and lateness are expensive, disruptive and place an unfair burden on fellow employees and Supervisors. We expect excellent attendance from all employees. Excessive absenteeism or tardiness will result in disciplinary action up to and including discharge.

We do recognize, however, there are times when absences and tardiness cannot be avoided. In such cases, employees are expected to notify Supervisors as early as possible, minimum of two-hours before the start of the work day. Asking another employee, friend or relative to give this notice is improper and constitutes grounds for disciplinary action. Employees should call, stating the nature of the illness and its expected duration, for every day of absenteeism.

Unreported absences of three (3) consecutive work days generally will be considered a voluntary resignation of employment with Hi Pro Inc.

### 6-4. Use Of Communications And Computer Systems

Hi Pro Inc.'s communication and computer systems are intended primarily for business purposes; however limited personal usage is permitted if it does not hinder performance of job duties or violate any other Hi Pro Inc. policy. This includes voice mail, e-mail and Internet systems. Users have no legitimate expectation of privacy in regard to their use of Hi Pro Inc. systems.

Hi Pro Inc. may access the voice mail and e-mail systems and obtain the communications within the systems, including past voice mail and e-mail messages, without notice to users of the system, in the ordinary course of business when Hi Pro Inc. deems it appropriate to do so. The reasons for which Hi Pro Inc. may obtain such access include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Hi Pro Inc. operations continue appropriately during the employee's absence.

Further, Hi Pro Inc. may review Internet usage to ensure that such use with Hi Pro Inc. property, or communications sent via the Internet with Hi Pro Inc. property, are appropriate. The reasons for which Hi Pro Inc. may review employees' use of the Internet with Hi Pro Inc. property include, but are not limited to: maintaining the system; preventing or investigating allegations of system abuse or misuse; assuring compliance with software copyright laws; complying with legal and regulatory requests for information; and ensuring that Hi Pro Inc. operations continue appropriately during the employee's absence.

Hi Pro Inc. may store electronic communications for a period of time after the communication is created. From time to time, copies of communications may be deleted.

Hi Pro Inc.'s policies prohibiting harassment, in their entirety, apply to the use of Hi Pro Inc.'s communication and computer

systems. No one may use any communication or computer system in a manner that may be construed by others as harassing or offensive based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other characteristic protected by federal, state or local law.

Further, since Hi Pro Inc.'s communication and computer systems are intended for business use, all employees, upon request, must inform management of any private access codes or passwords.

Unauthorized duplication of copyrighted computer software violates the law and is strictly prohibited.

No employee may access, or attempt to obtain access to, another employee's computer systems without appropriate authorization.

Violators of this policy may be subject to disciplinary action, up to and including discharge.

## 6-5. Use Of Social Media

Hi Pro Inc. respects the right of any employee to maintain a blog or web page or to participate in a social networking site, Twitter or similar site, including but not limited to Facebook and LinkedIn. However, to protect Hi Pro Inc. interests and ensure employees focus on their job duties, employees must adhere to the following rules:

Employees may not post on a blog or web page or participate on a social networking platform, such as Twitter or similar site, during work time or at any time with Hi Pro Inc. equipment or property.

All rules regarding confidential and proprietary business information apply in full to blogs, web pages and social networking platforms, such as Twitter, Facebook, LinkedIn or similar sites. Any information that cannot be disclosed through a conversation, a note or an e-mail also cannot be disclosed in a blog, web page or social networking site.

Whether the employees are posting something on their own blog, web page, social networking, Twitter or similar site or on someone else's, if the employee mentions Hi Pro Inc. and also expresses either a political opinion or an opinion regarding Hi Pro Inc.'s actions that could pose an actual or potential conflict of interest with Hi Pro Inc., the poster must include a disclaimer. The poster should specifically state that the opinion expressed is his/her personal opinion and not Hi Pro Inc.'s position. This is necessary to preserve Hi Pro Inc.'s good will in the marketplace.

Any conduct that is impermissible under the law if expressed in any other form or forum is impermissible if expressed through a blog, web page, social networking, Twitter or similar site. For example, posted material that is discriminatory, obscene, defamatory, libelous or violent is forbidden. Hi Pro Inc. policies apply equally to employee social media usage.

Hi Pro Inc. encourages all employees to keep in mind the speed and manner in which information posted on a blog, web page, and/or social networking site is received and often misunderstood by readers. Employees must use their best judgment. Employees with any questions should review the guidelines above and/or consult with their manager. Failure to follow these guidelines may result in discipline, up to and including discharge.

### Employee Photo Release

Unless I complete a written request to revoke permission, I understand that I am granting Hi Pro, Inc, its legal representatives and assigns, those for my employer is acting, and those acting with its permission, or its employees, my permission to take photographs of me and use them for any legal purpose. I understand that I will not be paid for these photographs and have no rights to them. I am participating as a volunteer. I hereby waive any right to inspect or approve the finished photograph or advertising copy or printed matter that may be used in conjunction therewith or with the eventual use that with it might be applied. I release my employer, its officers, employees and agents, from any and all claims of harm and liability as a result of any distortion, blurring, or alteration, optical illusion, or use in composite form, either intentionally or otherwise, which may occur from making, showing, using or distributing these photographs/video.

## 6-6. Personal And Company-Provided Portable Communication Devices

Hi Pro Inc.-provided portable communication devices (PCDs), including cell phones and personal digital assistants, should be used primarily for business purposes. Employees have no reasonable expectation of privacy in regard to the use of such devices, and all use is subject to monitoring, to the maximum extent permitted by applicable law. This includes, as permitted, the right to monitor personal communications as necessary.

Some employees may be authorized to use their own PCD for business purposes. Communications sent via a personal PCD also may be subject to monitoring if sent through Hi Pro Inc.'s networks and the PCD must be provided for inspection and review upon request.

All conversations, text messages and e-mails must be professional. When sending a text message or using a PCD for business purposes, whether it is a Hi Pro Inc.-provided or personal device, employees must comply with applicable Hi Pro Inc. guidelines, including policies on sexual harassment, discrimination, conduct, confidentiality, equipment use and operation of vehicles. Using a Hi Pro Inc.-issued PCD to send or receive personal text messages is prohibited at all times and personal use during working hours should be limited to emergency situations.

If employees who use a personal PCD for business resign or are discharged, are required to reset and remove all information from the device, including but not limited to, Hi Pro Inc. information and personal data (such as contacts, e-mails and photographs).

Employees may not use their personal PCD for business unless they agree to reset and remove Hi Pro Inc. information. The removal of Hi Pro Inc. information is crucial to ensure compliance with Hi Pro Inc.'s confidential and proprietary information policies and objectives.

Please note that whether employees use their personal PCD or a Hi Pro Inc.-issued device, Hi Pro Inc.'s electronic communications policies, including but not limited to, proper use of communications and computer systems, remain in effect.

### **Portable Communication Device Use While Driving**

Employees who drive on Hi Pro Inc. business must abide by all state or local laws prohibiting or limiting PCD (cell phone or personal digital assistant) use while driving. Further, even if usage is permitted, employees may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking or listening to another person or sending an electronic or text message via PCD.

Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while driving, and permitted by law, employees must use a hands-free option and advise the caller that they are unable to speak at that time and will return the call shortly.

Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs.

Since this policy does not require any employee to use a cell phone while driving, employees who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions.

Texting and e-mailing while driving are prohibited in all circumstances.

## **6-7. Inspections**

Hi Pro Inc. reserves the right to require employees while on or in Hi Pro Inc. property, or on client property, to agree to the inspection of their persons, personal possessions and property, personal vehicles parked on Hi Pro Inc. or client property, and work areas. This includes lockers, vehicles, desks, cabinets, work stations, packages, handbags, briefcases and other personal possessions or places of concealment, as well as personal mail sent to Hi Pro Inc. or to its clients. Employees are expected to cooperate in the conduct of any search or inspection.

## **6-8. Smoking**

Smoking, including the use of e-cigarettes, is prohibited on Hi Pro Inc. premises and in all Hi Pro Inc. vehicles.

## **6-9. Personal Visits And Telephone Calls**

Disruptions during work time can lead to errors and delays. Therefore, personal telephone calls must be kept to a minimum, and only be made or received after working time, or during lunch or break time.

For safety and security reasons, employees are prohibited from having personal guests visit or accompanying them anywhere in Hi Pro Inc. or U.S.P.S. facilities and vehicles.

## **6-10. Solicitation And Distribution**

To avoid distractions, solicitation by the employee of another employee is prohibited while either employee is on work time. "Work time" is defined as the time the employee is engaged, or should be engaged, in performing their work tasks for Hi Pro Inc. Solicitation of any kind by non-employees on Hi Pro Inc. premises is prohibited at all times.

Distribution of advertising material, handbills, printed or written literature of any kind in working areas of Hi Pro Inc. is prohibited at all times. Distribution of literature by non-employees on Hi Pro Inc. premises is prohibited at all times.

## 6-11. Bulletin Boards

Important notices and items of general interest are continually posted on Hi Pro Inc. bulletin boards. Employees should make it a practice to review bulletin boards frequently. This will assist employees in keeping up with what is current at Hi Pro Inc. To avoid confusion, employees should not post or remove any material from the bulletin board.

## 6-12. Confidential Company Information

During the course of work, employees may become aware of confidential information about Hi Pro Inc.'s business, including but not limited to information regarding Hi Pro Inc. finances, pricing, products and new product development, software and computer programs, marketing strategies, suppliers and customers and potential customers. Employees also may become aware of similar confidential information belonging to Hi Pro Inc.'s clients. It is extremely important that all such information remains confidential, and particularly not be disclosed to Hi Pro Inc.'s competitors. Any employee who improperly copies, removes (whether physically or electronically), uses or discloses confidential information to anyone outside of Hi Pro Inc. may be subject to disciplinary action up to and including termination. Employees may be required to sign an agreement reiterating these obligations.

## 6-13. Conflict Of Interest And Business Ethics

It is Hi Pro Inc.'s policy that all employees avoid any conflict between their personal interests and those of Hi Pro Inc. The purpose of this policy is to ensure that Hi Pro Inc.'s honesty and integrity, and therefore its reputation, are not compromised. The fundamental principle guiding this policy is that no employee should have, or appear to have, personal interests or relationships that actually or potentially conflict with the best interests of Hi Pro Inc.

It is not possible to give an exhaustive list of situations that might involve violations of this policy. However, the situations that would constitute a conflict in most cases include but are not limited to:

1. holding an interest in or accepting free or discounted goods from any organization that does, or is seeking to do, business with Hi Pro Inc., by any employee who is in a position to directly or indirectly influence either Hi Pro Inc.'s decision to do business, or the terms upon which business would be done with such organization;
2. holding any interest in an organization that competes with Hi Pro Inc.;
3. being employed by (including as a consultant) or serving on the board of any organization which does, or is seeking to do, business with Hi Pro Inc. or which competes with Hi Pro Inc.; and/or
4. profiting personally, e.g., through commissions, loans, expense reimbursements or other payments, from any organization seeking to do business with Hi Pro Inc.

A conflict of interest would also exist when a member of the employee's immediate family is involved in situations such as those above.

This policy is not intended to prohibit the acceptance of modest courtesies, openly given and accepted as part of the usual business amenities, for example, occasional business-related meals or promotional items of nominal or minor value.

It is the employee's responsibility to report any actual or potential conflict that may exist between the employee (and the employee's immediate family) and Hi Pro Inc.



## 6-14. Use Of Facilities, Equipment And Property, Including Intellectual Property

Equipment essential in accomplishing job duties is often expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards and guidelines.

Employees should notify their supervisor if any equipment, machines, or tools appear to be damaged, defective or in need of repair. Prompt reporting of loss, damage, defects and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. Supervisors can answer any questions about the employees' responsibility for maintenance and care of equipment used on the job.

Employees also are prohibited from any unauthorized use of Hi Pro Inc.'s intellectual property, such as audio and video tapes, print materials and software.

Improper, careless, negligent, destructive, or unsafe use or operation of equipment can result in discipline, up to and including discharge.

Further, Hi Pro Inc. is not responsible for any damage to employees' personal belongings unless the employee's supervisor provided advance approval for the employee to bring the personal property to work.

## 6-15. Health And Safety

The health and safety of employees and others on Hi Pro Inc. property are of critical concern to Hi Pro Inc. Hi Pro Inc. intends to comply with all health and safety laws applicable to our business. To this end, we must rely upon employees to ensure that work areas are kept safe and free of hazardous conditions. Employees are required to be conscientious about workplace safety, including proper operating methods, and recognize dangerous conditions or hazards. Any unsafe conditions or potential hazards should be reported to management immediately, even if the problem appears to be corrected. Any suspicion of a concealed danger present on Hi Pro Inc.'s premises, or in a product, facility, piece of equipment, process or business practice for which Hi Pro Inc. is responsible should be brought to the attention of management immediately.

Periodically, Hi Pro Inc. may issue rules and guidelines governing workplace safety and health. Hi Pro Inc. may also issue rules and guidelines regarding the handling and disposal of hazardous substances and waste. All employees should familiarize themselves with these rules and guidelines, as strict compliance will be expected.

Any workplace injury, accident, or illness must be reported to the employee's supervisor as soon as possible, regardless of the severity of the injury or accident.

## 6-16. Infectious Disease Control Policy

Hi Pro, Inc. will take proactive steps to protect the workplace in the event of an infectious disease outbreak. It is the goal of Hi Pro, Inc. during any such time period to strive to operate effectively and ensure that all essential services are continuously provided and that employees are safe within the workplace.

Hi Pro, Inc. is committed to providing authoritative information about the nature and spread of infectious diseases, including symptoms and signs to watch for, as well as required steps to be taken in the event of an illness or outbreak.

### Preventing the Spread of Infection in the Workplace

Hi Pro, Inc. will ensure a clean workplace, including the regular cleaning of objects and areas that are frequently used, such as bathrooms, break rooms, conference rooms, door handles and railings. A committee will be designated to monitor and coordinate events around an infectious disease outbreak, as well as to create work rules that could be implemented to promote safety through infection control.

We ask all employees to cooperate in taking steps to reduce the transmission of infectious disease in the workplace. The best strategy remains the most obvious—frequent hand washing with warm, soapy water; covering your mouth whenever you sneeze or cough; and discarding used tissues in wastebaskets. We will also install alcohol-based hand sanitizers throughout the workplace and in common areas.

Unless otherwise notified, our normal attendance and leave policies will remain in place. Individuals who believe they may face challenges reporting to work during an infectious disease outbreak should take steps to develop any necessary contingency plans. For example, employees might want to arrange for alternative sources of childcare should schools close and/or speak with supervisors about the potential to work from home temporarily or on an alternative work schedule.

### Limiting Travel

All nonessential travel should be avoided when needed. Employees who travel as an essential part of their job should consult with management on appropriate actions. Business-related travel outside the United States will not be authorized until further notice.

Employees should avoid crowded public transportation when possible. Alternative scheduling options, ride-share resources and/or parking assistance will be provided on a case-by-case basis. Contact human resources for more information.

### Telecommuting

Telework requests will be handled on a case-by-case basis. While not all positions will be eligible, all requests for temporary telecommuting should be submitted to your manager for consideration.

### Staying Home When Ill

Many times, with the best of intentions, employees report to work even though they feel ill. We provide paid sick time and other benefits to compensate employees who are unable to work due to illness. During an infectious disease outbreak, it is critical that employees do not report to work while they are ill and/or experiencing the following symptoms: fever, cough, sore throat, runny or stuffy nose, body aches, headache, chills, fatigue, nausea, vomiting and diarrhea. Currently, the Centers for Disease Control and Prevention recommends that people with an infectious illness such as the flu remain at home until at least 24 hours after they are free of fever (100 degrees F or 37.8 degrees C) or signs of a fever without the use of fever-reducing medications. Employees who report to work ill will be sent home in accordance with these health guidelines.

### Requests for Medical Information and/or Documentation

If you are out sick or show symptoms of being ill, it will become necessary to request information from your health care provider. In general, we would request medical information to confirm your need to be absent, to show whether and how an absence relates to the infection, and to know that it is appropriate for you to return to work. If you have a positive Covid-19 test result, you will be required to seek a second or subsequent test to confirm you are negative before you can return to work. As

always, we expect and appreciate your cooperation when medical information is sought.

#### Confidentiality of Medical Information

Our policy is to treat any medical information as a confidential medical record. In furtherance of this policy, any disclosure of medical information is in limited circumstances to supervisors, managers, first aid and safety personnel, and government officials as required by law.

#### **Social Distancing Guidelines for Workplace Infectious Disease Outbreaks**

In the event of an infectious disease outbreak, Hi Pro, Inc. may implement these social distancing guidelines to minimize the spread of the disease among the staff.

During the workday, employees are requested to:

1. Wear a face mask while working around anyone.
2. Always keep a minimum of 6-feet from others
3. Avoid meeting people face-to-face. Employees are encouraged to use the telephone, online conferencing, e-mail or instant messaging to conduct business as much as possible, even when participants are in the same building.
4. Do not congregate in work rooms, pantries, copier rooms or other areas where people socialize.
5. Bring lunch and eat at your desk or away from others (avoid lunchrooms and crowded restaurants).

#### Outside activities

Employees might be encouraged to the extent possible to:

1. Avoid public transportation (walk, cycle, drive a car) or go early or late to avoid rush-hour crowding on public transportation.
2. Avoid recreational or other leisure classes, meetings, activities, etc., where employees might encounter contagious people.

## 6-17. Nepotism Policy (Hiring Relatives/Employee Relationships)

The employment of relatives can cause various problems including but not limited to charges of favoritism, conflicts or interest, family discord and scheduling conflicts that may work to the disadvantage of both the company and its employees.

For the purposes of this policy the term "relative" shall include the following relationships: relationships established by blood, marriage or legal action. Examples include the employee's: spouse, mother, father, son, daughter, sister, brother, mother-in-law, father-in-law, sister-in-law, brother-in-law, son-in-law, daughter-in-law, stepparent, stepchild, aunt, uncle, nephew, niece, grandparent, grandchild or cousin. The term also includes domestic partners (a person with whom the employee's life is interdependent and who shares a common residence) and, any of the above relations of an employee's domestic partner.

It is the goal of the company to avoid creating or maintaining circumstances in which the appearance or possibility of favoritism, conflicts or management disruptions exists. The company may allow existing personal relationships to be maintained or employ individuals with personal relationships to current employees under the following circumstances:

- Individuals may not work under the supervision of the same manager;
- They may not create a supervisor/subordinate relationship with a family member;
- They may not supervise or evaluate a family member;
- The relationship will not create an adverse impact on work productivity or performance;
- The relationship may not create an actual or perceived conflict of interest;
- They may not audit or reviewing in any manner the individual's work.
- They may not be employed if a member of the employee's immediate family (spouse, children, parents, grandparents, brothers, sisters, step family members, in-law family members) serves on the company's Board or any Committee which has authority to review or order personnel actions or wage and salary adjustments which could affect his/her job.

No personal employee relationship covered by this policy will be allowed to be maintained, regardless of the positions involved, if it creates a disruption or potential disruption in the work environment, creates an actual or perceived conflict of interest or is prohibited by any legal or regulatory mandate.

This policy must be considered when hiring, promoting or transferring any employee.

Should relationships addressed within this policy be identified with either candidates for employment or, current employees the matter should be immediately reported to the Human Resources Manager and the following policies and procedures will be followed:

- A determination will be made whether the relationship is subject to the company's Nepotism policy based on the conditions described above.
- If the relationship is determined to fall within one or more of the conditions described in this policy the HR Manager in consultation with the affected employees and the company's CEO will attempt to resolve the situation through the transfer of one employee to a new position or identifying some other action (e.g., Supervisory reassignment) which will correct the conflict or issue identified. If accommodations are not feasible then, with affected employee suggestions the HR Manager in consultation with the company's CEO shall determine which employee must resign in order to resolve the situation.

The company reserves the right to exercise appropriate managerial judgment to take such actions as may be necessary to achieve this intent of this policy. The agency reserves the right to vary from the guidelines outlined in this policy to address unusual circumstances on a case by case basis.

It is the responsibility of every employee to identify to the company's HR Manager any potential or existing personal relationship which falls under the definitions provided in this policy. Employees who fail to disclose personal relationships covered by this policy will be subject to disciplinary action up to and including the termination of employment.

## 6-18. Employee Dress And Personal Appearance

### Dress Code Policies

To provide staff with a dress code that will convey a positive and professional image to internal and external clients.

This policy addresses specific expectations, and includes guidelines for dress and appearance for Hi Pro, Inc. employees. Hi Pro, Inc. reserves the right to determine what is acceptable or not acceptable in terms of professional image. Employees must recognize there is a difference between fashion for home or casual events and professional work attire. Staff members must exercise good judgment in selecting appropriate dress for work.

#### Statement of Standard Practice for all employees:

Cleanliness is essential for all employees in every detail. All clothing shall be appropriate in size for the employee's frame, and shall be cleaned, pressed, and in good condition. The following are prerequisites to good grooming:

- Good personal hygiene, regular bathing and good oral hygiene.
- Use of a deodorant.
- Clean attire daily.
- Because of fragrance allergies/sensitivities among internal and external customers, perfume, cologne, after-shave should be of minimal use.

#### Driver Dress Code:

How you look is a direct reflection of your attitude and professionalism. It also reflects on those around you and the reputation of Hi Pro Inc.

- **Personal Hygiene.** All employees are expected to report to work in a clean and professional appearance.
- **Hair.** Clean, well-groomed hair is essential to a professional appearance.
- **Beards and mustaches.** Neat and clean.
- **Dress Standards:**
  - **Shirts.** Shirts should be clean and free from tears, and not display lewd or distasteful statements or pictures. T-shirts, button-up and polo shirts are appropriate. Whenever possible, wear a shirt with the Hi Pro, Inc. logo.
  - **Pants or Shorts.** Jeans, slacks, or shorts should be clean. No torn, ripped or excessive holes in pants or shorts.
  - **Shoes.** To avoid injury to yourself, always wear closed-toed shoes or boots that are secured to your foot with laces or velcro. No open-toed or slip-on shoes are allowed.
  - **Showers.** Plan on showering daily. This is especially important when interacting with customers.
  - **Deodorant.** Use a quality deodorant each day.

Employees that violate the dress code policy will be sent home to change their work attire. Employees who are sent home will not be compensated for any work time missed because of failure to comply with this policy. Employees in violation of the Dress Code Policy will be disciplined accordingly.

#### Administrative Dress Code:

##### **Business Attire:**

Staff should choose casual business attire such as dresses, pants, shirts, blouses, dress shirts, shorts, denim jeans, t-shirts, sweatshirts, and skirts. The style and color of an employee's clothing are the individual employee's choice; however, an overall appearance that tends to attract undue attention to the wearer is unsuitable. Clothing must be in good taste and conducive to work functions.

- **Jewelry:** Any jewelry worn should be minimal and in good taste and consistent with the safety and professional work environment. No jewelry will be allowed that interferes and/or poses a safety or health risk to employees.
- **Nails:** Fingernails should be neat, clean, and of moderate length. If nail polish is worn, it should be in good repair. Nail

art and nail colors that are extreme are not appropriate.

- **Hair:** Hair must be neat in appearance at all times and must not detract from the total professional appearance of the employee. Hair must be clean, combed, and neat.
- **Mustaches, beards, goatees** and sideburns are acceptable only if they are clean and neatly trimmed.

**Inappropriate clothing** includes, but is not limited to:

- Mini-skirts, mid-thigh pants, biking shorts or leggings
- Clothing with words, stamps or pictures that are offensive and/or inappropriate
- Shirts, jackets or sweatshirts with suggestive wording or pictures, sweat suit
- Denim jeans, or shorts with rips, tears or holes
- Sweatshirts or T-shirts with logos, pictures, or any type of insignia (except Hi Pro Inc merchandise)
- Bandannas
- Hats with logos, pictures, or any type of insignia (except Hi Pro Inc merchandise)
- See-through or low-cut blouses
- Sundresses without jacket/sweater
- Sleeveless shirts/blouses without jacket/sweater
- Halter tops, tank tops, bare backs or midriffs
- Thong-type shoes (anything that makes noise like flip-flops)
- Skirts, shorts, or dresses shorter than 2" above the knee
- Clothing for workouts and outdoor activities
- Clothing with rips, tears or holes
- Clothing which is not appropriate for body size, i.e., extremely "baggy" or "tight"

**Shoes:**

- Footwear must be clean, in good repair, and in a style that does not hinder work performance or personal safety. To promote safe movement, walking shoes or flats are recommended. While "sport" shoes may be safe and comfortable, they must be professional looking and appropriate.
- Not appropriate: Flip flops, beach footwear, slippers, cowboy boots and moccasins.

All employees are required to wear appropriate attire during normal business hours.

Understandably, there may be times when an employee may be working on other duties (i.e.: yard/office clean-up, driving a vehicle, etc.) where the above dress code is not appropriate. Those times when this policy will not apply will be addressed or announced on an as-needed basis.

Employees that violate the dress code policy will be sent home to change their work attire. Employees who are sent home will not be compensated for any work time missed because of failure to comply with this policy. Employees in violation of the Dress Code Policy will be disciplined accordingly.

## 6-19. Publicity/Statements To The Media

All media inquiries regarding the position of Hi Pro Inc. as to any issues must be referred to CEO. Only CEO is authorized to make or approve public statements on behalf of Hi Pro Inc. No employees, unless specifically designated by CEO, are authorized to make those statements on behalf of Hi Pro Inc. Any employee wishing to write and/or publish an article, paper, or other publication on behalf of Hi Pro Inc. must first obtain approval from CEO.

## 6-20. Operation Of Vehicles

All employees authorized to drive Hi Pro Inc.-owned or leased vehicles or personal vehicles in conducting Hi Pro Inc. business must possess a current, valid driver's license and an acceptable driving record. Any change in license status or driving record must be reported to management immediately.

Employees must have a valid driver's license in their possession while operating a vehicle off or on Hi Pro Inc. property. It is the responsibility of every employee to drive safely and obey all traffic, vehicle safety, and parking laws or regulations. Drivers must demonstrate safe driving habits at all times.

Hi Pro Inc.-owned or leased vehicles may be used only as authorized by management.

### **Portable Communication Device Use While Driving**

Employees who drive on Hi Pro Inc. business must abide by all state or local laws prohibiting or limiting portable communication device (PCD) use, including cell phones or personal digital assistants, while driving. Further, even if use is permitted, employees may choose to refrain from using any PCD while driving. "Use" includes, but is not limited to, talking or listening to another person or sending an electronic or text message via PCD.

Regardless of the circumstances, including slow or stopped traffic, if any use is permitted while driving, employees should proceed to a safe location off the road and safely stop the vehicle before placing or accepting a call. If acceptance of a call is absolutely necessary while the employees are driving, and permitted by law, they must use a hands-free option and advise the caller that they are unable to speak at that time and will return the call shortly.

Under no circumstances should employees feel that they need to place themselves at risk to fulfill business needs.

Since this policy does not require any employee to use a PCD while driving, employees who are charged with traffic violations resulting from the use of their PCDs while driving will be solely responsible for all liabilities that result from such actions.

Texting and e-mailing while driving are prohibited in all circumstances.

## 6-21. Business Expense Reimbursement

Employees will be reimbursed for reasonable approved expenses incurred in the course of business. These expenses must be approved by the employee's Operations Manager, and may include air travel, hotels, motels, meals, cab fare, rental vehicles, or gas and car mileage for personal vehicles. All expenses incurred should be submitted to Operations Manager and Accounting Department along with the receipts in a timely manner.

Employees are expected to exercise restraint and good judgment when incurring expenses. Employees should contact their Operations Manager in advance if they have any questions about whether an expense will be reimbursed.

## 6-22. References

Hi Pro Inc. will respond to reference requests through the Human Resources Department. Hi Pro Inc. will provide general information concerning the employee such as date of hire, date of discharge, and positions held. Requests for reference information must be in writing, and responses will be in writing. Please refer all requests for references to the Human Resources Department.

**Only the Human Resources Department may provide references.**

## 6-23. If You Must Leave Us

Should any employees decide to leave Hi Pro Inc., we ask that they provide a Supervisor with at least Two Weeks advance notice of departure. Thoughtfulness will be appreciated. All Hi Pro Inc., property including, but not limited to, keys, fuel cards, USPS badges, security cards, parking passes, laptop computers, fax machines, uniforms, etc., must be returned at separation. Employees also must return all of Hi Pro Inc.'s Confidential Information upon separation. To the extent permitted by law, employees will be required to repay Hi Pro Inc. (through payroll deduction, if lawful) for any lost or damaged Hi Pro Inc. property. As noted previously, all employees are employed at-will and nothing in this handbook changes that status.

Hi Pro Inc has a no rehire policy. The only exceptions that will be considered are the following:

- Originally hired as a seasonal/temporary employee
- Retired on good terms
- Terminated due to post office background issues that have been resolved

## 6-24. Exit Interviews

Employees who resign are requested to participate in an exit interview with the Human Resources Representative, if possible.

## 6-25. A Few Closing Words

This handbook is intended to give employees a broad summary of things they should know about Hi Pro Inc. The information in this handbook is general in nature and, should questions arise, any member of management should be consulted for complete details. While we intend to continue the policies, rules and benefits described in this handbook, Hi Pro Inc., in its sole discretion, may always amend, add to, delete from or modify the provisions of this handbook and/or change its interpretation of any provision set forth in this handbook. Employees should not hesitate to speak to management if they have any questions about Hi Pro Inc. or its personnel policies and practices.



## Section 7 - Arizona Addendum

### 7-1. Arizona - Earned Sick Time

#### Eligibility

Hi Pro Inc. provides earned paid sick time to employees who work in Arizona. For employees who work in Arizona who are eligible for sick time under the general Sick Days policy and/or any other applicable sick time/leave law or ordinance, this policy applies solely to the extent it provides greater benefits/rights on any specific issue or issues than the general Sick Days policy and/or any other applicable sick time/leave law or ordinance.

#### Accrual

Employees begin accruing earned paid sick time pursuant to this policy at the start of employment. Eligible employees will accrue one (1) hour of earned paid sick time for every 30 hours worked, up to a maximum accrual of 40 hours each calendar year. Exempt employees are assumed to work 40 hours in each workweek unless their normal workweek is less than 40 hours, in which case earned paid sick time accrues based upon that normal workweek. For purposes of this policy, the calendar year is the consecutive 12-month period beginning January 1 and ending on December 31.

#### Usage

Employees may use earned paid sick time on the 90th calendar day of employment. Earned paid sick time must be used in 1-hour increments. The employee may not use more than 40 hours of earned paid sick time in any calendar year.

Employees may use earned paid sick time for absences due to:

1. the employee's physical illness, injury, mental illness, or health condition; the employee's need for medical diagnosis, care, or treatment of a mental or physical illness, injury or health condition; the employee's need for preventive medical care;
2. care of a family member with a mental or physical illness, injury or health condition; care of a family member who needs medical diagnosis, care, or treatment of a mental or physical illness, injury or health condition; care of a family member who needs preventive medical care;
3. closure of the employee's place of business by order of a public official due to a public health emergency or the employee's need to care for a child whose school or place of care has been closed by order of a public official due to a public health emergency, or care for oneself or a family member when it has been determined by the health authorities having jurisdiction or by a health care provider that the employee's or family member's presence in the community may jeopardize the health of others because of their exposure to a communicable disease, whether or not the employee or family member has actually contracted the communicable disease; or
4. a covered purpose relating to domestic violence, sexual violence, abuse or stalking to allow the employee to obtain (for himself or herself or for a family member) medical attention, services from a victims' organization, counseling, relocation and/or legal services.

For purposes of this policy, family member includes (regardless of age): a biological, adopted or foster child, stepchild or legal ward, a child of a domestic partner, a child to whom the employee stands in-loco-parentis or an individual to whom the employee stood in loco parentis when the individual was a minor; a biological, foster, stepparent or adoptive parent or legal guardian of the employee or the employee's spouse or domestic partner or a person who stood in loco parentis when the employee or employee's spouse or domestic partner was a minor child; spouse or domestic partner; a grandparent, grandchild or sibling (whether of a biological, foster, adoptive or step relationship) of the employee or the employee's spouse or domestic partner; or any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship.

The employee's use of earned paid sick time will not be conditioned upon searching for or finding a replacement worker.

Employees must complete a Time Off Request Form, which must be turned into Payroll no later than the Friday before the pay period ends if they wish to be paid for absences that meet the reasons set forth above to the extent that they have earned paid sick time available. Hi Pro, Inc. will not assume that employees want to use available earned paid sick time for absences and

employees will not be paid for such absences without a completed signed/approved Time Off Request Form.

Employees will be advised of their earned paid sick time balance information on their itemized wage statement.

### **Notice and Documentation**

Employees are required to make a reasonable effort to schedule the use of earned paid sick time in a manner that does not unduly disrupt business operations. Requests to use earned paid sick time must be made in writing, via the Time Off Request Form, and whenever possible, the request must include the expected duration of the employee's absence. When the use of earned paid sick time is foreseeable, the employee is required to make a good faith effort to provide notice of the need for such time to their Supervisor in advance of the use of the earned paid sick time. When the use of earned sick time is not foreseeable, the employee is required to provide notice to their Supervisor at least four (4) hours prior to the start of their workday or as soon as possible under the circumstances.

For earned paid sick time of three (3) or more consecutive work days, Hi Pro Inc. requires reasonable documentation that the earned paid sick time has been used for a covered purpose. Hi Pro, Inc. reserves the right to request documentation for paid sick leave after any number of days off. For reasons #1 and #2 above, documentation signed by a health care professional indicating that earned paid sick time is necessary is reasonable. For reason #4 above, any of the following types of documentation selected by the employee is reasonable:

- a police report indicating that the employee or the employee's family member was a victim of domestic violence, sexual violence, abuse or stalking;
- a protective order; injunction against harassment; a general court order; or other evidence from a court or prosecuting attorney that the employee or employee's family member appeared or is scheduled to appear, in court in connection with an incident of domestic violence, sexual violence, abuse or stalking;
- a signed statement from a domestic violence or sexual violence program or victim services organization affirming that the employee or employee's family member is receiving services related to domestic violence, sexual violence, abuse or stalking;
- a signed statement from a witness advocate affirming that the employee or employee's family member is receiving services from a victim services organization;
- a signed statement from an attorney, member of the clergy or a medical or other professional affirming that the employee or employee's family member is a victim of domestic violence, sexual violence, abuse or stalking; or
- the employee's written statement affirming that the employee or the employee's family member is a victim of domestic violence, sexual violence, abuse or stalking, and that the earned paid sick time was taken for one of the purposes described above.

Documentation provided to Hi Pro Inc. should not explain the nature of the employee's or a family member's health condition or the details of domestic violence, sexual violence, abuse or stalking.

### **Payment**

Earned paid sick time will be paid at the same hourly rate the employee earns from their employment at the time the employee uses such time, but no less than the applicable minimum wage, unless otherwise required by applicable law. Use of earned paid sick time is not considered hours worked for purposes of calculating overtime.

### **Carryover and Payout**

The employee may carry over up to 40 hours of accrued, unused earned paid sick time to the following calendar year. Unused earned paid sick time will not be paid at separation. Sick leave cannot be taken at the end of your employment with Hi Pro, Inc.

### **Enforcement & Retaliation**

Retaliation against the employee who requests or uses earned paid sick time is prohibited. The employee has the right to file a complaint if earned paid sick time as required by law is denied by an employer or if the employee is subjected to retaliation for requesting or taking earned paid sick time. The Arizona Industrial Commission's contact information is as follows: 800 W. Washington Street, Phoenix, AZ 85007 / 602-542-4515 / [www.azica.gov](http://www.azica.gov).

Questions about rights and responsibilities under the law can be answered by Human Resources.

## Section 8 - California Addendum

### 8-1. Equal Employment Opportunity

Hi Pro Inc. is an Equal Opportunity Employer that does not discriminate on the basis of actual or perceived race, color, religious creed, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth and related medical conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, protected medical condition as defined by applicable state or local law (such as cancer), genetic information, or any other characteristic protected by applicable federal, state or local laws and ordinances. Hi Pro Inc.'s management team is dedicated to this policy with respect to recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities, access to facilities and programs and general treatment during employment.

Hi Pro Inc. will endeavor to make a reasonable accommodation of an otherwise qualified applicant or employee related to an individual's: physical or mental disability; sincerely held religious beliefs and practices; and/or any other reason required by applicable law, unless doing so would impose an undue hardship upon Hi Pro Inc.'s business operations. Any applicant or employee who needs accommodation in order to perform the essential functions of the job should contact the Head of Human Resources to request such accommodation. The individual should specify what accommodation is needed to perform the job and submit supporting documentation explaining the basis for the requested accommodation, to the extent permitted and in accordance with applicable law. Hi Pro Inc. will review and analyze the request, including engaging in an interactive process with the employee or applicant, to identify if such an accommodation can be made. Hi Pro Inc. will evaluate requested accommodations, and as appropriate identify other possible accommodations, if any. The individual will be notified of Hi Pro Inc.'s decision within a reasonable period. Hi Pro Inc. treats all medical information submitted as part of the accommodation process in a confidential manner.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the Head of Human Resources. Hi Pro Inc. will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. If employees feel they have been subjected to any such retaliation, they should contact the Head of Human Resources. To ensure our workplace is free of artificial barriers, violation of this policy, including any improper retaliatory conduct, will lead to discipline, up to and including discharge. All employees must cooperate with all investigations conducted pursuant to this policy.

## 8-2. Discrimination, Harassment And Retaliation Prevention

Hi Pro Inc. does not tolerate and prohibits discrimination, harassment or retaliation of or against job applicants, contractors, interns, volunteers or employees by another employee, supervisor, vendor, customer or third party based on actual or perceived race, color, creed, religion, age, sex or gender (including pregnancy, childbirth and related medical conditions), sexual orientation, gender identity or gender expression (including transgender status), national origin, ancestry, marital status, protected medical condition as defined by state law (including cancer or genetic characteristics), physical or mental disability, military and veteran status, genetic information, or any other characteristic protected by applicable federal, state, or local laws and ordinances. Hi Pro Inc. is committed to a workplace free of discrimination, harassment and retaliation.

Our management team is dedicated to ensuring the fulfillment of this policy as it applies to all terms and conditions of employment, including recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities and general treatment during employment.

### **Discrimination Defined**

Discrimination under this policy means treating differently or denying or granting a benefit to an individual because of the individual's protected characteristic.

### **Harassment Defined**

Harassment is defined in this policy as unwelcome verbal, visual or physical conduct creating an intimidating, offensive or a hostile work environment that interferes with work performance. Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), visual (including offensive posters, symbols, cartoons, drawings, computer displays or e-mails) or physical conduct (including physically threatening another, blocking someone's way, etc.) that denigrates or shows hostility or aversion toward an individual because of any protected characteristic. Such conduct violates this policy, even if it is not unlawful. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a manner consistent with the intended purpose of this policy.

### **Sexual Harassment Defined**

Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities, and other verbal or physical conduct of a sexual nature. Sexual harassment includes unwelcome or unwanted conduct that is either of a sexual nature or directed at an individual because of that individual's sex when:

- submission to that conduct or to those advances or requests is made either explicitly or implicitly as a term or condition of an individual's employment;
- submission to or rejection of conduct or advances or requests by an individual is used as the basis for employment decisions affecting the individual; or
- the conduct or advances or requests have the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Examples of conduct that violates this policy include:

1. unwelcome or unwanted sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, and blocking normal movement;
2. requests for sexual favors or demands for sexual favors in exchange for favorable treatment;
3. obscene or vulgar gestures, posters, or comments;
4. sexual jokes or comments about a person's body, sexual prowess or sexual deficiencies;
5. propositions or suggestive or insulting comments of a sexual nature;
6. derogatory cartoons, posters and drawings;
7. sexually explicit e-mails, text messages or voicemails;
8. uninvited touching of a sexual nature;
9. unwelcome or unwanted sexually related comments;

10. conversation about one's own or someone else's sex life;
11. conduct or comments consistently targeted at only one gender, even if the content is not sexual; and
12. teasing or other conduct directed toward a person because of the person's gender.

### **Retaliation Defined**

Retaliation means adverse conduct taken because an individual reported an actual or a perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below.

"Adverse conduct" includes but is not limited to:

- shunning and avoiding an individual who reports harassment, discrimination or retaliation;
- express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination or retaliation; and
- denying employment benefits because an applicant or employee reported harassment, discrimination or retaliation or participated in the reporting and investigation process described below.

**All discrimination, harassment and retaliation is unacceptable in the workplace and in any work-related settings such as business trips and business-related social functions, regardless of whether the conduct is engaged in by a supervisor, a coworker, a client, a customer, a vendor or another third party.**

### **Reporting Procedures**

The following steps have been put into place to ensure the work environment is respectful, professional, and free of discrimination, harassment and retaliation. If the employee believes someone has violated this policy or the Equal Employment Opportunity Policy, the employee should promptly bring the matter to the immediate attention of any member of management. (Phone numbers are available through Hi Pro Inc. Directory.) If this individual is the person toward whom the complaint is directed, the employee should contact any higher-level manager in the reporting chain. If the employee makes a complaint under this policy and has not received a satisfactory response within five (5) business days, the Head of Human Resources should be contacted immediately. (Phone numbers are available through Hi Pro Inc. directory.)

Every supervisor who learns of any employee's concern about conduct in violation of this policy, whether in a formal complaint or informally, must immediately report the issues raised to the Head of Human Resources.

### **Investigation Procedures**

Upon receiving a complaint, Hi Pro Inc. will promptly conduct a fair and thorough investigation into the facts and circumstances of any claim of a violation of this policy or the Equal Employment Opportunity policy. To the extent possible, Hi Pro Inc. will endeavor to keep the reporting employee's concerns confidential. However, complete confidentiality may not be possible in all circumstances.

During the investigation, Hi Pro Inc. generally will interview the complainant and the accused, conduct further interviews as necessary, and review any relevant documents or other information. Upon completion of the investigation, Hi Pro Inc. shall determine whether this policy has been violated based on its reasonable evaluation of the information gathered during the investigation. Hi Pro Inc. will inform the complainant and the accused of the results of the investigation.

Hi Pro Inc. will take corrective measures against any person who it finds to have engaged in conduct in violation of this policy, if Hi Pro Inc. determines such measures are necessary. These measures may include, but are not limited to, counseling, suspension or immediate termination. Anyone, regardless of position or title, who Hi Pro Inc. determines has engaged in conduct that violates this policy will be subject to discipline up to and including termination.

### **Training**

All Employees are required to undergo harassment prevention training as required by applicable law. For more information about this training requirement, visit <https://www.dfeh.ca.gov/shpt/>.

### **Retaliation Prohibited**

In addition to being a violation of this policy, harassment, discrimination or retaliation also can be against the law. Employees who engage in conduct that rises to the level of a violation of the law can be held personally liable for such conduct.

Remember, Hi Pro Inc. cannot remedy claimed discrimination, harassment or retaliation unless employees bring these claims to

the attention of management. Employees should not hesitate to report any conduct they believe violates this policy.

## 8-3. Working Hours And Schedule

Hi Pro Inc. normally is open for business as follows:

Day	From:	To:
Monday	12:00 a.m.	11:59 p.m.
Tuesday	12:00 a.m.	11:59 p.m.
Wednesday	12:00 a.m.	11:59 p.m.
Thursday	12:00 a.m.	11:59 p.m.
Friday	12:00 a.m.	11:59 p.m.
Saturday	12:00 a.m.	11:59 p.m.
Sunday	12:00 a.m.	11:59 p.m.

Hi Pro, Inc. observes the following eleven federal holidays: New Year's Day, Birthday of Martin Luther King, Washington's Birthday, Memorial Day, Juneteenth, Independence Day, Labor Day, Columbus Day, Veteran's Day, Thanksgiving Day, and Christmas Day. If a driver works a minimum of one day of the week that one of the aforementioned holidays occurs, an average of the hours worked for that week will be calculated and the output will be paid to the driver not to exceed eight (8) hours a holiday. This is for mail-hauling employees.

Employees will be assigned a work schedule and will be expected to begin and end work according to the schedule. To accommodate the needs of the business, at some point Hi Pro Inc. may need to change individual work schedules on either a short-term or long-term basis.

### Rest Breaks

**Administrative Personnel:** Non-exempt employees who work three-and-one-half (3-1/2) or more hours per day are authorized and permitted one (1) 10-minute rest break for every four (4) hours or major fraction thereof worked. For purposes of this policy, "major fraction" means any time greater than two (2) hours. For example, if employees work more than six (6) hours, but no more than 10 hours in a workday, they are authorized and permitted to take two (2) 10-minute rest breaks: one (1) during the first half of a shift and a second rest break during the second half of the shift. If employees work more than 10 hours but no more than 14 hours in a day, they are authorized and permitted to take three (3) 10-minute rest breaks, and so on.

Rest breaks should be taken as close to the middle of each work period of four (4) hours or a major fraction thereof as is practical. Employees do not need to obtain their supervisor's approval or notify their supervisor when taking a rest break. Employees are encouraged to take their rest breaks; they are not expected to and should not work during their rest breaks. Non-exempt employees are paid for all rest break periods and do not need to clock out when taking a rest break.

Rest breaks may not be combined with another rest break or with the meal period. In addition, rest breaks may not be taken at the beginning or end of the work day to arrive late or leave early. Each rest break must be a separate break, meeting the requirements described above. If any work is performed during a rest break, or if the rest break is interrupted for any work-related reason, the employee is entitled to another uninterrupted paid rest break.

Hi Pro Inc. also provides cool down rest and recovery periods as needed to prevent heat illness for employees that perform work outdoors as required under applicable state law.

**Truck Drivers:** Except for drivers who qualify for either of the short-haul exceptions in §395.1(e)(1) or (2), driving is not permitted if more than 8 hours of driving time have passed without at least a consecutive 30-minute interruption in driving status. A consecutive 30-minute interruption of driving status may be satisfied either by off-duty, sleeper berth or on-duty not driving time or by a combination of off-duty, sleeper berth and on-duty not driving time.

## **Meal Periods**

**Administrative Personnel:** Employees who work more than five (5) hours in a workday are provided an unpaid, off-duty meal period of at least 30 minutes. Employees are responsible for scheduling their own meal periods, but they should confirm them with their supervisor. Meal periods must begin no later than the end of the fifth hour of work. For example, the employee who begins working at 8:00 a.m. must begin the meal period no later than 12:59 p.m. When scheduling a meal period, employees should try to anticipate work flow and deadlines.

Employees who work more than 10 hours in a day are entitled to a second unpaid, off-duty 30-minute meal period. Employees entitled to a second meal period should schedule their second meal period so it begins no later than before the end of their tenth hour of work, meaning the meal period should begin after working no more than nine (9) hours, 59 minutes.

During meal periods, employees are relieved of all duty and should not work during this time. When taking a meal period, employees should completely stop working for at least 30 minutes. Employees are prohibited from working "off the clock" during their meal period.

Those employees who use a time clock must clock out for their meal periods. These employees are expected to clock back in and promptly return to work at the end of any meal period. Those employees who record their time manually must accurately record their meal periods by recording the beginning and end of each work period. Unless otherwise directed by a supervisor in writing, employees do not need to obtain a supervisor's approval or notify a supervisor when taking a meal period. Employees are to immediately notify Human Resources if they believe that they are prevented by the nature of their work from taking a timely and/or complete meal period.

## **Meal Period Waiver**

**Administrative Personnel:** If no more than six (6) hours of work will complete the day's work, employees may voluntarily waive the meal period in writing. Employees should see Human Resources to obtain this waiver form. If the employee works no more than twelve (12) hours, the employee can waive the second meal period, but only if the first meal period was received and not waived in any manner. Any waiver of the second meal period must be in writing and submitted before the second meal period. Employees should see Human Resources to obtain this waiver form. Employees who work more than 12 hours may not waive, and should take, their second unpaid, off-duty and uninterrupted 30-minute meal period.

## **No Working During Rest Breaks and Meal Periods**

**Administrative Personnel:** Employees are completely relieved of all work duties and responsibilities during their rest breaks and meal periods. All rest breaks and meal periods must be taken outside the work area, such as in a break room. Employees may leave the premises during rest breaks and meal periods. Employees should not visit or socialize with employees who are working while they are taking a rest break or meal period. Employees, including those in a sensitive position like security or information technology, are not expected to remain "on call" or available to respond to messages, monitor radios, telephones, email or other devices during meal periods and rest breaks.

Employees are required to immediately notify Human Resources if they believe they are being pressured or coerced by any manager, supervisor or other employee to not take any portion of a provided rest break or meal period.



## 8-4. Overtime

Like most successful companies, Hi Pro Inc. experiences periods of extremely high activity. During these busy periods, additional work is required from all of us. Supervisors are responsible for monitoring business activity and requesting overtime work if it is necessary. Effort will be made to provide employees with adequate advance notice in such situations.

**Administrative Personnel:** Non-exempt employees generally will be paid overtime at the rate of time and one-half (1.5) times their normal hourly wage for all hours worked in excess of 40 hours in one (1) week, or for the first eight (8) hours on the seventh (7<sup>th</sup>) day in the same workweek.

Non-exempt employees generally will be paid double-time for hours worked in excess of 12 on any workday or in excess of eight (8) on the seventh (7<sup>th</sup>) day of the workweek.

**Employees may work overtime only with management authorization.**

For purposes of calculating overtime for non-exempt employees, the workweek begins at 12 a.m. on Sunday and ends 168 hours later at 12 a.m. on the following Sunday.

Time paid but not worked, such as sick time or vacation time, will not be counted as hours worked in calculating hours worked for purposes of determining if overtime pay is due.

**Truck Drivers:** Truck drivers are exempt from the overtime law, which means they are not entitled to overtime pay. Under the Motor Carrier Act exemption under the Fair Labor Standards Act Section 13(b)(1), drivers, driver's helpers, loaders, or mechanics whose duties affect the safety of the operation of motor vehicles in interstate commerce are not required to be paid overtime wages. This exemption applies to over-the-road drivers since they transport goods across state lines. The exemption also applies to local truck drivers if the goods that are being transported are part of an interstate shipment.

## 8-5. Travel Time For Non-Exempt Employees

**Administrative Personnel:**

California non-exempt employees are paid for travel time in accordance with state law.

## 8-6. Safe Harbor Policy For Exempt Employees

It is Hi Pro Inc. policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure employees are paid properly and no improper deductions are made, employees must review their pay stubs promptly to identify and to report all errors.

If the employee believes a mistake has occurred or if the employee has any questions, the employee should use the reporting procedure outlined below.

Exempt salaried employees receive a salary which is intended to compensate for all hours worked for Hi Pro Inc. This salary will be established at the time of hire or when the employee becomes classified as an exempt employee. While it may be subject to review and modification from time-to-time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work performed.

Under state law, salary is subject to certain deductions. For example, the employee's salary can be reduced for the following reasons:

- full-day absences for personal reasons;
- full-day absences for sickness or disability, if the available paid sick leave has been exhausted;
- intermittent absences, including partial-day absences, covered by the federal Family and Medical Leave Act, if other available paid leave has been exhausted;
- to offset amounts received as payment for jury and witness fees or military pay;

- during the first or last week of employment, in the event the employee works less than a full week; and
- any work week in which the employee performs no work for Hi Pro Inc.

Salary also may be reduced for certain types of deductions, such as the employee portion of health, dental or life insurance premiums; state, federal or local taxes, social security; or, voluntary contributions to a 401(k) or pension plan.

In any workweek in which the employee performs any work, the employee's salary will not be reduced for any of the following reasons:

- partial-day absences for personal reasons, sickness or disability;
- absence on a holiday when the facility is closed or because the facility is otherwise closed on a scheduled workday;
- absences for jury duty, attendance as a witness or military leave done in any week in which the employee has performed any work; and
- any other deductions prohibited by state or federal law.

If employees believe they have been subject to any improper deductions, they should immediately report the matter to their supervisor. If the supervisor is unavailable or if employees believe it would be inappropriate to contact that person (or if they have not received a prompt and fully acceptable reply), they should immediately contact Payroll or any other supervisor in Hi Pro Inc. with whom the employee feels comfortable. If employees are unsure of whom to contact if they have not received a satisfactory response within five (5) business days after reporting the incident, they should immediately contact the Human Resources Manager, P.O. Box 148 Twentynine Palms, CA 92277, (760) 361-0434.

Every report will be fully investigated and corrective action will be taken where appropriate, up to and including termination for any employee who violates this policy. In addition, Hi Pro Inc. will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including termination.

## 8-7. Paid Vacations

Hi Pro Inc. appreciates how hard employees work and recognizes the importance of providing time for rest and relaxation. Hi Pro Inc. fully encourages employees to get this rest by taking vacation time.

- Vacation is earned on a pro-rata basis throughout the year based on hours worked. Vacations should be taken after the year earned.
- Earned, unused vacation time cannot be carried over into the following year.
- Vacation time may be cashed out with a written request. Please allow two pay periods for processing.
- The length of eligible service is calculated on the basis of an employee's continuous, active employment with Hi Pro, Inc. In the event an employee is rehired by Hi Pro, Inc following the termination of his or her employment for any reason, the employee's previous service will not count towards the employee's length of eligible service for purposes of this policy.
- Every effort will be made to grant employees' vacation preference, consistent with operating schedules. However, if too many employees request the same period of time off, Hi Pro Inc. reserves the right to choose who may take vacation during that period. Employees with the longest length of service will generally be given preference. Vacation requests must be submitted to managers at least four (4) weeks in advance of the requested vacation dates.
- No vacation time will be granted during Peak Season, seven (7) calendar days prior to Thanksgiving through January 7th each year, unless otherwise directed by the CEO. These dates are subject to change.
- Any earned, unused vacation is paid out upon separation, after the completion of one year of service.
- If you are on an approved leave of absence (e.g., Family and Medical Leave), you may be required to use your available unused vacation days during the leave of absence.
- All employees are considered key employees. Without you, we cannot operate smoothly. Being that you are a key employee of the company, no employee will be granted more than seven (7) consecutive work days off for vacation at a time.

Full-time and Part-time **Mail-Hauling** employees earn paid vacation time based on your postal hire date. Review the contracts' Wage Determination for the current rates. Although contracts vary, the average is as follows:

1 Year: One Week (5 days/40 hours)\*\*

2 Years: Two Weeks (10 days/80 hours)\*\*

10 Years: Three Weeks (15 days/ 120 hours)\*\*

20 Years: Four Weeks (20 days/ 160 hours)\*\*

\*\*Please refer to the contracts Wage Determination

Full-time and Part-time **Administrative** employees earn paid vacation time as follows, based on your employment anniversary date:

1 Year: One Week (5 days/40 hours);	2 Years: Two Weeks (10 days/80 hours)	5
Years: Three Weeks (15 days/ 120 hours)	10 Years: Four Weeks (20 days/ 160 hours)	

**Exempt Management Only:**

1 Year: Two Weeks (10 days/80 hours);	2 Years: Two + Weeks (12 days/96 hours)
5 Years: Three Weeks (15 days/ 120 hours)	10 Years: Four Weeks (20 days/ 160 hours)

## 8-8. California - Earned Sick Time

### Eligibility

Pursuant to the Healthy Workplaces, Healthy Families Act, Hi Pro Inc. provides paid sick leave to employees who, on or after July 1, 2015, work for Hi Pro Inc. in California for 30 or more days within a year. For employees who work in California who are eligible for sick time under the general Paid Sick Time policy and/or any other applicable sick time/leave law or ordinance, this policy applies solely to the extent it provides greater benefits/rights on any specific issue or issues than the general Paid Sick Time policy and/or any other applicable sick time/leave law or ordinance.

### Accrual

Employees begin accruing paid sick leave on July 1, 2015 or at the start of employment, whichever is later. Paid sick leave will accumulate at the rate of one (1) hour for every 30 hours worked, up to a total maximum accrual of six (6) days or 48 hours. Employees who are exempt from overtime pursuant to the executive, administrative and professional exemptions are assumed to work 40 hours in each workweek unless their normal workweek is less than 40 hours, in which case paid sick leave accrues based upon that normal workweek. For purposes of this policy, for employees hired on or before July 1, 2015, the year is the consecutive 12-month period beginning July 1st and ending on June 30th. For employees hired after July 1, 2015, the year is the consecutive 12-month period beginning on the employee's date of hire.

### Usage

Employees can use accrued paid sick leave beginning on the 90th day of employment. Paid sick leave may be used in minimum increments of two (2) hours. An exempt employee may use up to five (5) days or 40 hours of paid sick leave in any year. A non-exempt employee may use up to three (3) days or 24 hours of paid sick leave in any year.

Paid sick leave may be used for the following reasons:

- For diagnosis, care or treatment of an existing health condition of or preventive care for, the employee or the employee's family member (meaning a child, including biological, adopted or foster child, stepchild, legal ward or a child to whom the employee stands in loco parentis, all regardless of age or dependency status); spouse; registered domestic partner; parent (including biological, adoptive or foster parent, stepparent or legal guardian of the employee or the employee's spouse or registered domestic partner or a person who stood in loco parentis when the employee was a minor child); grandparent; grandchild; or a sibling; or
- For the employee who is a victim of domestic violence, sexual assault or stalking:
  1. to obtain or attempt to obtain a temporary restraining order, restraining order or other injunctive relief;
  2. to help ensure the health, safety or welfare of the victim or the victim's child;
  3. to seek medical attention for injuries caused by domestic violence, sexual assault or stalking;

4. to obtain services from a domestic violence shelter, program or rape crisis center as a result of domestic violence, sexual assault or stalking;
5. to obtain psychological counseling related to an experience of domestic violence, sexual assault or stalking; or
6. to participate in safety planning and take other actions to increase safety from future domestic violence, sexual assault or stalking, including temporary or permanent relocation.

Employees will be notified of their available paid sick leave on each itemized wage statement.

Employees must complete a Time Off Request Form, which must be turned into Payroll no later than the Friday before the pay period ends if they wish to be paid for absences that meet the reasons set forth above. Hi Pro, Inc. will not assume that employees want to use available earned paid sick time for absences and employees will not be paid for such absences without a completed signed/approved Time Off Request Form.

#### **Notice and Documentation**

Notice to the Employee's Supervisor may be given in writing. If the need for paid sick leave is foreseeable, the employee must provide reasonable advance notification. If the need for paid sick leave is unforeseeable, the employee must provide notice of the need for the leave as soon as practicable. For earned paid sick time of three (3) or more consecutive workdays, Hi Pro, Inc. requires reasonable documentation that the earned paid sick time has been used for a covered purpose. Hi Pro Inc. reserves the right to request documentation for paid sick leave after any number of days off.

#### **Payment**

Eligible employees will receive payment for paid sick leave at the same wage as the employee normally earns during regular work hours, unless otherwise required by applicable law, by the next regular payroll period after the leave is taken. Use of paid sick leave is not considered hours worked for purposes of calculating overtime.

#### **Carryover and Payout**

Accrued paid sick leave carries over from year to year, but is subject to the accrual cap of six (6) days or 48 hours. Once the accrual cap is reached, paid sick leave will stop accruing until some paid sick leave is used.

Accrued but unused paid sick leave under this policy will not be paid at separation. Sick leave cannot be taken at the end of your employment with Hi Pro, Inc.

#### **Enforcement & Retaliation**

Retaliation or discrimination against the employee, who requests paid sick days or uses paid sick days or both, is prohibited and employees may file a complaint with the Labor Commissioner against an employer who retaliates or discriminates against the employee.

If employees have any questions regarding this policy, they should contact the Head of Human Resources.

## **8-9. Lactation Breaks**

Hi Pro Inc. supports the legal right and necessity of employees who choose to express milk in the workplace. This policy establishes guidelines for promoting a breastfeeding-friendly work environment and supporting lactating employees for as long as they desire to express breast milk.

Hi Pro Inc. will provide a reasonable amount of break time for employees who wish to express breast milk for their infant child each time the employee has a need to express milk, in accordance with applicable local, state and federal law. If possible, the break time must run concurrently with rest and meal periods already provided. If break time cannot run concurrently with rest and meal periods, it will be unpaid, to the extent permitted by applicable law.

Hi Pro Inc. will provide breastfeeding employees with space, in close proximity to their work area, that is shielded from view and free from intrusion from co-workers and the public. The room or location may include the place where the employee normally works if it otherwise meets the requirements of the lactation space. Restrooms are prohibited from being used for lactation purposes.

Employees who need lactation accommodation should submit a request for possible accommodation in writing to the Head of

Human Resources. Upon receiving an accommodation request, Hi Pro Inc. will respond to the employee within five (5) business days. Hi Pro Inc. and the employee shall engage in an interactive process to determine the appropriate accommodations.

California law expressly prohibits discrimination or retaliation against lactating employees for exercising their rights granted by the ordinance. This includes those who request time to express breast milk at work and/or who lodge a complaint related to the right to lactation accommodations.

Employees have the right to file a complaint with the Labor Commissioner for any violation of the rights underlying this policy.

Please consult Human Resources with questions regarding this policy.

## **8-10. Workers' Compensation**

On-the-job injuries are covered by Hi Pro Inc.'s Workers' Compensation Insurance Policy, which is provided at no cost to employees. If injured on the job, no matter how small, employees should report the incident immediately to their supervisor. Failure to follow Hi Pro Inc. procedures may affect one's ability to receive Workers' Compensation benefits.

Any leave of absence due to a workplace injury runs concurrently with all other Hi Pro Inc. leaves of absence. Reinstatement from leave is guaranteed only if required by law. Employees who need to miss work due to a workplace injury must also request a formal leave of absence. See the Leave of Absence section of this handbook for more information.

## **8-11. Witness Leave**

Employees called to serve as an expert witness in a judicial proceeding on behalf of the State will be granted leave without pay or use available vacation time to cover the absence. Employees summoned to appear in court as an expert witness, but not on behalf of the State may use available vacation time to cover the period of absence.

Employees subpoenaed for witness duty must notify their supervisor as soon as possible.

## **8-12. Voting Leave**

In the event employees do not have sufficient time outside of working hours to vote in a statewide election, employees may take off sufficient working time to vote. This time should be taken at the beginning or end of the regular work schedule, whichever allows the most free time for voting and the least time off from work. Employees will be allowed a maximum of two (2) hours of voting leave on Election Day without loss of pay. Where possible, supervisors should be notified of the need for leave at least three (3) working days prior to the Election Day.

## **8-13. Statutory Short-Term Disability Benefits**

Hi Pro Inc. does not provide a statutory short-term disability insurance. You may apply for State Disability through the Employment Development Department.

This is solely a monetary benefit and not a leave of absence. Employees who will be out of work must also request a formal leave of absence. See the Leave of Absence section of this handbook for more information.

## **8-14. Paid Family Leave Benefits**

Employees may be eligible to receive benefits through the California Paid Family Leave (PFL) program, which is administered by the Employment Development Department (EDD), when they take leave to:

- care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law or registered domestic partner, with a serious health condition;

- bond with a minor child within the first year of the child's birth or placement in connection with foster care or adoption; or
- participate in a qualifying exigency related to the covered active duty or call to covered active duty of the employee's spouse, domestic partner, child or parent in the Armed Forces of the United States.

These benefits are financed solely through employee contributions to the PFL program. That program is solely responsible for determining if the employee is eligible for such benefits.

If employees need to take time off work for any of the reasons set forth above, they must advise Hi Pro Inc., and they will be given information about the EDD's PFL program and how to apply for benefits. Employees also may contact their local EDD Office for further information. Employees should maintain regular contact with Hi Pro Inc. during the time off work so Hi Pro Inc. may monitor the employee's return-to-work status. In addition, the employee should contact Hi Pro Inc. when ready to return to work, so Hi Pro Inc. may determine what positions, if any, are open.

When the employee applies for PFL benefits, the Human Resources Department will determine if the employee has any accrued but unused vacation and personal days available. If the employee has accrued but unused time available, then the employee will be required to use up to two (2) weeks of such time before becoming eligible for PFL benefits.

Employees taking time off work for any of the reasons set forth above are not guaranteed job reinstatement unless they qualify for such reinstatement under federal or state family and medical leave laws.

Any time off for Paid Family Leave purposes will run concurrently with other leaves of absence, such as Family and Medical Leave/California Family Rights Act Leave, if applicable. Please see the "Family and Medical Leave/California Family Rights Act" policies in this handbook for eligibility requirements, if applicable.

## 8-15. Personal Leave

If employees are ineligible for any other Hi Pro Inc. leave of absence, Hi Pro Inc., under certain circumstances, may grant a personal leave of absence without pay. A written request for a personal leave should be presented to management at least two (2) weeks before the anticipated start of the leave. If the leave is requested for medical reasons and employees are not eligible for FMLA and CFRA, medical certification also must be submitted. The request will be considered on the basis of staffing requirements and the reasons for the requested leave, as well as performance and attendance records. Normally, a leave of absence will be granted for a period of up to eight (8) weeks. However, a personal leave may be extended if, prior to the end of leave, employees submit a written request for an extension to management and the request is granted. During the leave, employees will not earn vacation, personal days or sick days. We will continue health insurance coverage during the leave if employees submit their share of the monthly premium payments to Hi Pro Inc. in a timely manner, subject to the terms of the plan documents.

When the employees anticipate returning to work, they should notify management of the expected return date. This notification should be made at least one week before the end of the leave.

Upon completion of the personal leave of absence, Hi Pro Inc. will attempt to return employees to their original job or a similar position, subject to prevailing business considerations. Reinstatement, however, is not guaranteed.

Failure to advise management of availability to return to work, failure to return to work when notified or a continued absence from work beyond the time approved by Hi Pro Inc. will be considered a voluntary resignation of employment.

Personal leave runs concurrently with any Hi Pro Inc.-provided Short-Term Disability Leave of Absence.

## 8-16. Time Off For Military Spouses

If the employee works, on average, at least 20 hours per week and their spouse is a qualified member of the United States Armed Forces, the National Guard or the Reserves, the employee is eligible to take leave for a period of up to 10 days while their spouse is home during a qualified leave period. When the employee is also eligible for military family member exigency leave, leave under this policy shall also count toward the employee's leave entitlement under the Family and Medical Leave Act (FMLA), where the time off meets the definition of FMLA military exigency leave.

## Required Notice to Employer

Within two (2) business days of receiving official notice that the employee's spouse will be on leave, the employee must provide notice to Hi Pro Inc. of their intent to take military spouse leave.

## Required Documentation

The employee must submit written documentation to Hi Pro Inc. certifying that during the requested time off, the employee's spouse will be on leave from deployment during a period of military conflict.

## Leave is Unpaid

Leave granted under this policy is unpaid. However, employees may substitute the following for any period of unpaid military spouse leave: unused vacation time.

## Definitions

For the purposes of this policy, the following definitions apply:

**"Qualified Member"** means any of the following:

- a member of the United States Armed Forces who is deployed during a period of military conflict to an area designated as a combat theater or combat zone by the President of the United States; or
- a member of the National Guard who is deployed during a period of military conflict; or
- a member of the Reserves who is deployed during a period of military conflict.

**"Period of Military Conflict"** means any of the following:

- a period of war declared by the U.S. Congress; or
- a period of deployment for which members of the Reserves are ordered to active duty.

**"Qualified Leave Period"** means the period during which the qualified member is on leave from deployment during a period of military conflict.

## 8-17. Bone Marrow Donation Leave

The employee who has been employed for at least 90 days may request a leave of absence for up to five (5) business days in any one-year period to undergo a medical procedure to donate bone marrow. Employees must provide a certification from their physician regarding the purpose and length of each leave requested. The employee must use any accrued vacation time, sick leave or paid time off for this leave, but the use of vacation accrual, sick leave or paid time off does not extend the term of this leave. If accrued vacation, sick leave or paid time off is not available, the time off for such a procedure should not be paid. Bone marrow donation leave will not be designated as FMLA or CFRA leave time. Employees will receive health benefits for the duration of their Bone Marrow Donation Leave and upon returning from such leave will have a right to return to the same or equivalent positions they held before such leave.

## 8-18. Organ Donation Leave

Employees who have been employed for at least 90 days may request a paid leave of absence for up to 30 business days in any one-year period to undergo a medical procedure to donate an organ. Employees can request an additional 30 days of unpaid leave in any one-year period for this same purpose. Employees must provide a certification from their physician regarding the purpose and length of each leave requested. The one-year period is measured from the start of the leave.

For an initial request for organ donation leave, the employee must use up to two weeks of accrued vacation, sick leave or paid time off for this leave, but the use of vacation accrual, sick leave or paid time off does not extend the term of the leave. If accrued vacation, sick leave or paid time off is not available, the time off for such a procedure should not be paid. However, the paid time off should not exceed 30 days. Organ donation leave will not be designated as FMLA or CFRA leave time. Employees



will receive health benefits for the duration of their organ donation leave and, upon returning from such leave, will have a right to return to the same or equivalent positions they held before such leave. Absences due to organ donation leave do not count as a break in service for the purpose of the employee's right to salary adjustments, sick leave, vacation and paid time off or seniority.

## 8-19. Family And Medical Leave

Employees may be entitled to a leave of absence under the Family and Medical Leave Act (FMLA) and/or the California Family Rights Act (CFRA). Additionally, employees who are CFRA-eligible have certain rights to take both a pregnancy disability leave (PDL) and CFRA leave for the birth of a child.

This policy provides employees with information concerning FMLA/CFRA entitlements and obligations they may have during such leaves and also explains differences between FMLA, CFRA and PDL. Where more than one of the laws applies, leave taken may be counted under more than one law at the same time to the extent permitted by the applicable law(s). For example, where leave for a pregnancy disability is also FMLA-qualifying, the leave will count against both FMLA and PDL entitlements. However, PDL is separate from and does not count against employees' CFRA leave entitlement. (Please consult the Pregnancy Disability Leave policy for more information on PDL.) This policy will be interpreted to comply with the law(s) that applies to a particular leave.

If employees have any questions concerning FMLA/CFRA leave, they should contact the Head of Human Resources.

### I. Eligibility

The FMLA and CFRA provide eligible employees with a right to leave, health insurance benefits and, with some limited exceptions, job restoration. To be an "eligible employee," the employee must: 1) have been employed by Hi Pro Inc. for at least 12 months (which need not be consecutive) and 2) have worked for at least 1,250 hours during the 12-month period immediately preceding the commencement of the leave. All California employees who meet these two criteria are eligible for CFRA leave. California employees also may be eligible to take leave for FMLA reasons if they are eligible for CFRA leave and work at a worksite where 50 or more employees are located within 75 miles.

\*Special hours of service eligibility requirements apply to airline flight crew employees.

### II. Entitlements for FMLA/CFRA Leave

#### A. Basic FMLA/CFRA Leave Entitlement

The FMLA/CFRA provides eligible employees up to 12 workweeks of unpaid leave for certain family and medical reasons during a 12-month period. The 12-month period is determined by a rolling 12-month period measured backward from the date the employee uses their FMLA leave. In some instances, leave may be counted under the FMLA but not CFRA or CFRA but not the FMLA. Leave may be taken for any one, or for a combination, of the following reasons:

1. disability due to pregnancy, childbirth or related medical condition (counts only towards FMLA leave and California Pregnancy Disability Leave (PDL) leave entitlements);
2. bonding and/or caring for a newborn child (counts towards FMLA and CFRA leave entitlements);
3. for placement with the employee of a child for adoption or foster care and to care for the newly placed child (counts toward FMLA and CFRA leave entitlements);
4. to care for the employee's spouse, child or parent with a **serious health condition**; (counts toward FMLA and CFRA leave entitlements);
5. to care for the employee's registered domestic partner, parent-in-law, grandparent, grandchild or sibling with a serious health condition (counts towards CFRA entitlements only, except when grandparent, grandchild or sibling meets the FMLA definition of parent or child);
6. for the employee's own **serious health condition** (excluding pregnancy), which makes the employee unable to perform one or more of the essential functions of their job (counts toward FMLA and CFRA leave entitlements); and/or
7. because of any **qualifying exigency** arising out of the fact that the employee's spouse, registered domestic partner, son, daughter or parent is a military member on covered active duty status (or has been notified of an impending call or order to



covered active duty status) in the Reserve component of the Armed Forces for deployment to a foreign country in support of a contingency operation or Regular Armed Forces for deployment to a foreign country (counts toward FMLA/CFRA leave entitlements, except that leave taken for a registered domestic partner counts towards CFRA leave entitlement only).

Leave to care for one's child after birth or placement for adoption or foster care must be taken within one (1) year of the child's birth or placement.

Under the **FMLA**, a **serious health condition** is an illness, injury, impairment or physical or mental condition that involves a period of incapacity or treatment connected with inpatient care (e.g., an overnight stay) in a medical care facility, hospice or residential health care facility; or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of their job or prevents the qualified family member from participating in school or other daily activities.

Under the **CFRA**, a **serious health condition** is an illness, injury, impairment or physical or mental condition that involves either inpatient care in a hospital, hospice or residential health care facility, any subsequent treatment in connection with such inpatient care or any period of incapacity; or continuing treatment by a health care provider. The CFRA defines "inpatient care" broadly and includes a stay in a hospital, hospice or residential health care facility, any subsequent treatment in connection with inpatient care or any period of incapacity. A person will be considered an "inpatient" when they are formally admitted to a health care facility with the expectation that they will remain at least overnight and occupy a bed, even if the person is ultimately discharged or transferred to another facility and does not actually remain overnight. The CFRA defines "incapacity" as the inability to work, attend school or perform other regular daily activities due to a serious health condition, its treatment or the recovery that it requires.

Under the FMLA and CFRA, subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (3) consecutive calendar days combined with at least two (2) visits to a health care provider or one (1) visit and a regimen of continuing treatment or incapacity due to pregnancy (FMLA only) or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

A leave of absence in connection with a workers' compensation injury/illness or for which the employee receives disability or State of California Paid Family Leave benefits shall run concurrently with FMLA/CFRA leave.

## **B. Additional Military Family Leave Entitlement (FMLA Only)**

In addition to the basic FMLA/CFRA leave entitlement described above, an eligible employee who is the spouse, son, daughter, parent or next of kin of a **covered servicemember** is entitled to take up to 26 weeks of leave during a 12-month period to care for the servicemember with a serious injury or illness. Leave to care for a servicemember is available during a single 12-month period and, when combined with other FMLA-qualifying leave, may not exceed 26 weeks during the single 12-month period. The single 12-month period begins on the first day when an eligible employee takes leave to care for the injured servicemember.

A "**covered servicemember**" is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is on the temporary retired list, for a serious injury or illness. These individuals are referred to in this policy as "current members of the Armed Forces." Covered servicemembers also include a veteran who is discharged or released from military service under conditions other than dishonorable at any time during the five-(5-) year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as "covered veterans."

The FMLA definition of a serious illness or injury for current Armed Forces members and covered Veterans are distinct from the definition of "serious health condition" applicable to leave to care for a family member or the employee's own illness or injury.

## **C. Intermittent Leave and Reduced Leave Schedules**

FMLA/CFRA leave will usually be taken for a period of consecutive days, weeks or months. However, employees also are entitled to take FMLA/CFRA leave intermittently or on a reduced leave schedule when medically necessary due to a serious health condition of the employee or covered family member or the serious injury or illness of a covered servicemember (FMLA only). Intermittent or reduced work schedule leave may be taken for absences where the employee or family member is incapacitated or unable to perform the essential functions of the position because of a chronic serious health condition, even if they do not

receive treatment from a health care provider. Intermittent leave can also be taken for any qualifying exigency.

Employees also are eligible for intermittent leave for bonding with a child following birth or placement. Intermittent leave for bonding purposes generally must be taken in two-week increments, but Hi Pro Inc. permits two (2) occasions where the leave may be for less than two (2) weeks.

#### **D. Health Insurance Benefits Schedules**

During FMLA/CFRA leave, eligible employees are entitled to receive group health plan coverage on the same terms and conditions as if they had continued work.

#### **E. No Work While on Leave**

The taking of another job while on FMLA/CFRA leave or any other approved leave of absence is prohibited except as authorized by Hi Pro Inc. or permitted by applicable law.

#### **F. Restoration of Employment and Benefits**

At the end of FMLA/CFRA leave, employees generally have a right to return to the same or equivalent positions they held before the FMLA/CFRA leave. There is an exception for certain "key employees" under the FMLA that applies to leave for a seriously ill or injured covered servicemember (the CFRA does not have an exception for "key employees"). Hi Pro Inc. will provide notice if employees qualify as "key employees" if it intends to deny reinstatement and any applicable rights in such instances.

Use of FMLA/CFRA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee's FMLA/CFRA leave.

#### **G. Notice of Eligibility for, and Designation of, FMLA/CFRA Leave**

Employees requesting FMLA/CFRA leave are entitled to receive written notice from Hi Pro Inc. telling them whether they are eligible for FMLA/CFRA leave and, if not eligible, the reasons why they are not eligible. When eligible for FMLA/CFRA leave, employees are entitled to receive written notice of: 1) their rights and responsibilities in connection with such leave; 2) Hi Pro Inc.'s designation of leave as FMLA/CFRA-qualifying or non-qualifying, if not FMLA/CFRA-qualifying, the reasons why; and 3) the amount of leave, if known, that will be counted against the employee's leave entitlement.

Hi Pro Inc. will respond to a leave request within five (5) business days. Once given, approval shall be deemed retroactive to the date of the first day of the leave. Hi Pro Inc. may designate FMLA/CFRA leave retroactively with appropriate notice provided that doing so does not cause harm or injury to employees. In other cases, Hi Pro Inc. and employees can mutually agree that leave is retroactively designated as FMLA/CFRA leave.

#### **H. Employee Obligations for FMLA/CFRA Leaves**

##### **a. Provide Notice of the Need for Leave**

Employees who take FMLA/CFRA leave must notify, in a timely manner, Hi Pro Inc. of their need for FMLA/CFRA leave. The following describes the content and timing of such notices.

##### **i. Content of Notice**

To trigger FMLA/CFRA leave protections, employees must inform the Head of Human Resources of the need for FMLA/CFRA-qualifying leave and the anticipated timing and duration of the leave, if known. Employees may do this by either requesting FMLA/CFRA leave specifically or explaining the reasons for leave so as to allow Hi Pro Inc. to determine that the leave is FMLA/CFRA-qualifying. For example, employees might explain that:

1. a medical condition renders them unable to perform the functions of their job;
2. they are pregnant;
3. they or a covered family member have been hospitalized overnight;
4. they or a covered family member are under the continuing care of a health care provider;
5. the leave is due to a qualifying exigency caused by a military member being on covered active duty or called to covered active duty status; or
6. if the leave is for a family member, that the condition renders the family member unable to perform daily activities or that

the family member is a covered servicemember with a serious injury or illness.

Calling in "sick," without providing the reasons for the needed leave, will not be considered sufficient notice for FMLA/CFRA leave under this policy. Employees must respond to Hi Pro Inc.'s lawful questions to determine if absences are potentially FMLA/CFRA-qualifying.

If employees fail to explain the reasons for FMLA/CFRA leave, the leave may be denied. When employees seek leave due to FMLA/CFRA-qualifying reasons for which Hi Pro Inc. has previously provided FMLA/CFRA-protected leave, they must specifically reference the qualifying reason for the leave or the need for FMLA/CFRA leave.

## **ii. Timing of Notice**

Employees must provide 30 days' advance notice of the need to take FMLA/CFRA leave when the need is foreseeable. When 30 days' notice is not possible, or the approximate timing of the need for leave is not foreseeable, employees must notify the Hi Pro Inc. of the need for leave as soon as practicable under the circumstances. Employees who fail to give 30 days' notice for foreseeable leave without a reasonable excuse for the delay, or otherwise fail to satisfy FMLA/CFRA notice obligations, may have FMLA/CFRA leave delayed or denied.

## **b. Cooperating in the Scheduling of Leave**

When planning medical treatment for themselves or family members or requesting to take leave on an intermittent or reduced schedule work basis, employees must consult with Hi Pro Inc. and make a reasonable effort to schedule treatment so as not to unduly disrupt Hi Pro Inc. operations. Employees must consult with Hi Pro Inc. prior to scheduling treatment in order to work out a treatment schedule that best suits the needs of both Hi Pro Inc. and the employees, subject to the approval of the applicable health care provider. To the extent permitted by applicable law, when employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for employees or family members, including a period of recovery from a serious health condition or to care for a covered servicemember, Hi Pro Inc. may temporarily transfer employees to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

## **c. Submit Initial Medical Certifications Supporting Need for Leave (Unrelated to Requests for Military Family Leave)**

Depending on the nature of FMLA/CFRA leave sought, employees may be required to submit medical certifications supporting their need for FMLA/CFRA-qualifying leave. As described below, there generally are three types of FMLA/CFRA medical certification: an **initial certification**, a **recertification**, and a **return to work/fitness for duty certification**.

It is the responsibility of employees to provide Hi Pro Inc. with timely, complete and sufficient medical certification. Whenever Hi Pro Inc. requests employees to provide FMLA/CFRA medical certifications, they must provide the requested certifications within 15 calendar days after the request, unless it is not practicable to do so despite diligent, good faith efforts. Hi Pro Inc. will inform employees if submitted medical certifications are incomplete or insufficient and provide them at least seven (7) calendar days to address deficiencies. Hi Pro Inc. will delay or deny FMLA/CFRA leave to employees who fail to address deficiencies or otherwise fail to submit requested medical certifications in a timely manner.

Hi Pro Inc. (through individuals other than the employee's direct supervisor) may contact the employee's health care provider to authenticate a medical certification.

Whenever Hi Pro Inc. deems it appropriate to do so, it may waive its right to receive timely, complete and/or sufficient FMLA/CFRA medical certifications.

## **i. Initial Medical Certifications**

Employees requesting leave because of their own or a covered family member's serious health condition, or to care for a covered servicemember, must supply medical certification supporting the need for such leave from their health care provider or, if applicable, the health care provider of their covered family or service member. If employees provide at least 30 days' notice of medical leave, they should submit the medical certification before leave begins.

If Hi Pro Inc. has reason to doubt the validity of an initial medical certification regarding the employee's own serious health condition, it may require the employee to obtain a second opinion at Hi Pro Inc.'s expense. If the opinions of the initial and second health care providers differ, Hi Pro Inc. may, at its expense, require the employee to obtain a third, final and binding certification from a health care provider designated or approved jointly by Hi Pro Inc. and the employee. Hi Pro Inc. will reimburse employees for any reasonable "out of pocket" travel expenses incurred to obtain second or third medical opinions.

## **ii. Medical Recertifications**

Depending on the circumstances and duration of FMLA/CFRA leave, Hi Pro Inc. may require employees to provide recertification of medical conditions giving rise to the need for leave. Hi Pro Inc. will notify employees if recertification is required and will give employees at least 15 calendar days to provide medical recertification. In cases of leave that qualifies under CFRA, recertification will be requested only when the original certification has expired and additional leave is requested.

### **iii. Return to Work Release**

Unless notified that providing such certifications is not necessary, employees returning to work from FMLA/CFRA leaves that were taken because of their own serious health conditions must provide Hi Pro Inc. with a release to return to work from their healthcare provider stating they are able to resume work. Employees taking intermittent leave may be required to provide a return to work release for such absences up to once every 30 days if reasonable safety concerns exist regarding their ability to perform their duties. Hi Pro Inc. may delay and/or deny job restoration until employees provide return to work releases.

### **d. Submit Certifications Supporting Need for Military Family Leave**

Upon request, the first time employees seek leave due to qualifying exigencies arising out of the covered active duty or call to covered active duty status of a military member, Hi Pro Inc. may require them to provide: 1) a copy of the military member's active duty orders or other documentation issued by the military indicating the military member is on covered active duty or call to active duty status and the dates of the military member's covered active duty service and, 2) a certification from the employee setting forth information concerning the nature of the qualifying exigency for which leave is requested. Employees shall provide a copy of new active duty orders or other documentation issued by the military for leaves arising out of qualifying exigencies arising out of a different covered active duty or call to covered active duty status of the same or a different military member.

When leave is taken to care for a covered servicemember with a serious injury or illness as allowed by the FMLA only, Hi Pro Inc. may require employees to obtain certifications completed by an authorized health care provider of the covered servicemember. In addition, and in accordance with the FMLA regulations, Hi Pro Inc. may request that the certification submitted set forth additional information provided by the employee and/or the covered servicemember confirming entitlement to such leave.

### **e. Reporting Changes to Anticipated Return Date**

If the anticipated return to work date changes and it becomes necessary for the employee to take more or less leave than originally anticipated, the employee must provide Hi Pro Inc. with reasonable notice (i.e., within two (2) business days) of their changed circumstances and new return to work date. If employees give Hi Pro Inc. unequivocal notice of their intent not to return to work, they will be considered to have voluntarily resigned and Hi Pro Inc.'s obligation to maintain health benefits (subject to COBRA requirements) and to restore their positions will cease.

### **f. Substitute Paid Leave for Unpaid FMLA Leave**

Employees are required to substitute accrued paid time while taking an unpaid FMLA/CFRA leave as follows:

- if the employee requests FMLA/PDL leave because of disability due to pregnancy, childbirth or related medical conditions (excluding absences for which they are receiving short-term disability benefits), they must first substitute any accrued paid sick leave for unpaid family/medical leave. Employees may make a written request to substitute accrued, unused vacation or other paid time off benefits for unpaid FMLA/PDL leave once their sick time is exhausted.
- if the employee requests FMLA/CFRA leave because of their own serious health condition (excluding absences for which they are receiving workers' compensation or short-term disability benefits), they must first substitute any accrued paid vacation, sick or other paid time off for unpaid family/medical leave.
- if the employee requests FMLA/CFRA leave to care for a covered family member with a serious health condition (excluding absences for which they are receiving Paid Family Leave benefits), they must first substitute any accrued paid vacation or other paid time off for unpaid family/medical leave. Once vacation or other paid time off is exhausted, upon their request, they can substitute paid sick leave for unpaid FMLA/CFRA leave to care for a covered family member with a serious health condition.
- if the employee requests FMLA/CFRA leave to bond with a newborn or newly placed child (excluding absences for which they are receiving Paid Family Leave benefits), they must first substitute any accrued paid vacation or other paid time off for unpaid leave.

For purposes of this substitution requirement, leave is not "unpaid" during any time for which the employee is receiving compensation from the State of California under its State Disability Insurance or Paid Family Leave programs or when receiving compensation from worker's compensation. Employees will not be required to use accrued paid leave hours during any time off

under this policy for which they are receiving compensation under these programs. However, where applicable and permitted by law, they will be required to use paid leave accruals during any waiting periods applicable to these programs, and upon written request, Hi Pro Inc. will allow them to use accrued paid time off to supplement any paid workers' compensation, disability or Paid Family Leave benefits.

The substitution of paid time off for unpaid family/medical leave time does not extend the length of FMLA/CFRA leave and the paid time off runs concurrently with the FMLA/CFRA entitlement.

#### **g. Pay Employee's Share of Health Insurance Premiums**

As noted above, during FMLA/CFRA leave, employees are entitled to continued group health plan coverage under the same conditions as if they had continued to work. If paid leave is substituted for unpaid family/medical leave, Hi Pro Inc. will deduct employees' shares of the health plan premium as a regular payroll deduction. If FMLA/CFRA leave is unpaid, employees must pay their portion of the premium through a method determined by Hi Pro Inc. upon leave. Hi Pro Inc.'s obligation to maintain health care coverage ceases if the premium payment is more than 30 days late. If the payment is more than 15 days late, Hi Pro Inc. will send a letter notifying the employee that coverage will be dropped on a specified date unless the co-payment is received before that date.

If employees do not return to work for at least 30 calendar days after the end of the leave period (unless they cannot return to work because of a serious health condition or other circumstances beyond their control), they will be required to reimburse Hi Pro Inc. for the cost of the premiums Hi Pro Inc. paid for maintaining coverage during their unpaid FMLA/CFRA leave.

#### **I. Coordination of FMLA Leave with Other Leave Policies**

The FMLA and CFRA do not affect any federal, state or local law prohibiting discrimination, or supersede any state or local law which provides greater family or medical leave rights. For additional information concerning leave entitlements and obligations that might arise when FMLA/CFRA leave is either not available or exhausted, please consult Hi Pro Inc.'s other leave policies in this Handbook or contact the Head of Human Resources.

#### **QUESTIONS AND/OR COMPLAINTS ABOUT FMLA/CFRA LEAVE**

If employees have questions regarding this policy, they should contact the Head of Human Resources. Hi Pro Inc. is committed to complying with the FMLA and CFRA and, whenever necessary, shall interpret and apply this policy in a manner consistent with the FMLA and CFRA.

The FMLA makes it unlawful for employers to: 1) interfere with, restrain or deny the exercise of any right provided under FMLA; or 2) discharge or discriminate against any person for opposing any practice made unlawful by FMLA or involvement in any proceeding under or relating to FMLA. If employees believe their FMLA rights have been violated, they should contact the Head of Human Resources immediately. Hi Pro Inc. will investigate any FMLA complaints and take prompt and appropriate remedial action to address and/or remedy any FMLA violation. Employees also may file FMLA complaints with the United States Department of Labor or may bring private lawsuits alleging FMLA violations.

## 8-20. Leave For Victims Of Crime Or Abuse (Including Domestic Violence, Sexual Assault Or Stalking)

Employees who are victims of a crime or abuse, including domestic violence, sexual assault or stalking, may take unpaid leave for up to 12 weeks for the following reasons:

- to seek medical attention for injuries caused by crime or abuse;
- to obtain services from a domestic violence shelter, program, rape crisis center or victim services organization or agency as a result of crime or abuse;
- to obtain psychological counseling or mental health services related to an experience of crime or abuse; or
- to participate in safety planning and take other actions to increase safety from future crime or abuse, including temporary or permanent relocation.

Employees are covered as victims and entitled to leave under this policy if they are:

- a victim of stalking, domestic violence or sexual assault;
- a victim of a crime that caused physical injury or that caused mental injury and a threat of physical injury; or
- a person whose immediate family member is deceased as the direct result of a crime.

Hi Pro Inc. may require proof of the employee's participation in these activities. Whenever possible, employees must provide their supervisor with reasonable notice before taking any time off under this policy.

Employees may substitute any accrued vacation, sick or other time off for leave under this policy. Leave under this policy does not extend the time allowable under the "Family and Medical Leave" policy in this handbook.

No employees will be subject to discrimination or retaliation because of their status as a victim of a crime or abuse, including crime or abuse related to domestic violence, sexual assault or stalking. Victims of a crime or abuse, including crime or abuse related to domestic violence, sexual assault or stalking, may request other accommodations in the workplace, such as implementation of safety measures.

## 8-21. Time Off For Crime Victims

Employees who have been victims of serious or violent felonies, as specified under California law, or felonies relating to theft or embezzlement, may take time off work to attend judicial proceedings related to the crime. Employees also may take time off if an immediate family member has been a victim of such crimes and the employee needs to attend judicial proceedings related to the crime. "Immediate family member" is defined as spouse, registered domestic partner, child, child of registered domestic partner, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father or stepfather.

Employees must give their supervisor a copy of the court notice given to the victim of each scheduled proceeding before taking time off, unless advance notice to Hi Pro Inc. of the need for time off is not feasible. When advance notice is not feasible, the employee must provide Hi Pro Inc. with documentation evidencing the judicial proceeding, within a reasonable time after absence. The documentation may be from the court or government agency setting up the hearing, the district attorney or prosecuting attorney's office or the victim/witness office that is advocating on behalf of the victim.

Employees may elect to use accrued paid vacation time, paid sick leave time or other paid time off for the absence. If the employee does not elect to use paid time off, the absence will be unpaid. However, exempt employees will be paid their full salary for any workweek interrupted by the need for time off under this policy.

## 8-22. Literacy Assistance

Hi Pro Inc. is committed to providing assistance to employees who require time off to participate in an adult education program for literacy assistance. If employees need time off to attend such a program, they should inform their direct supervisor or the Human Resources Department. Hi Pro Inc. will attempt to make reasonable accommodations by providing unpaid time off or an adjusted work schedule, provided the accommodation does not impose an undue hardship on Hi Pro Inc. Hi Pro Inc. will attempt to safeguard the privacy of employees' enrollment in an adult education program.

## 8-23. Pregnancy Disability Leave

If employees are disabled by pregnancy, childbirth or related medical conditions, they are eligible to take a pregnancy disability leave (PDL). If affected by pregnancy or a related medical condition, employees also are eligible to transfer to a less strenuous or hazardous position or to less strenuous or hazardous duties, if such a transfer is medically advisable and can be reasonably accommodated. Employees disabled by qualifying conditions may also be entitled to other reasonable accommodations where doing so is medically necessary. In addition, if it is medically advisable for employees to take intermittent leave or work a reduced schedule, Hi Pro Inc. may require them to transfer temporarily to an alternative position with equivalent pay and benefits that can better accommodate recurring periods of leave.

The PDL is for any period(s) of actual disability caused by pregnancy, childbirth or related medical condition up to four (4) months per pregnancy. For purposes of this policy, "four months" means time off for the number of days the employee would normally work within the four (4) calendar months (one-third of a year or 17 1/3 weeks), following the commencement date of taking a pregnancy disability leave. For a full-time employee who works 40 hours per week, "four months" means 693 hours of leave entitlement, based on 40 hours per week times 17 1/3 weeks. Employees working a part-time schedule will have their PDL calculated on a pro-rata basis.

The PDL does not need to be taken in one continuous period of time, but can be taken on an intermittent basis pursuant to the law.

Time off needed for prenatal or postnatal care, severe morning sickness, gestational diabetes, pregnancy-induced hypertension, preeclampsia, doctor-ordered bed rest, postpartum depression, loss or end of pregnancy, and recovery from childbirth or loss or end of pregnancy are all covered by PDL.

To receive reasonable accommodation, obtain a transfer or take a PDL, employees must provide sufficient notice so Hi Pro Inc. can make appropriate plans. Thirty days' advance notice is required if the need for the reasonable accommodation, transfer or PDL is foreseeable, otherwise as soon as practicable if the need is an emergency or unforeseeable.

Employees are required to obtain a certification from their health care provider of the need for pregnancy disability leave or the medical advisability of an accommodation or for a transfer. The certification is sufficient if it contains: (1) a description of the requested reasonable accommodation or transfer; (2) a statement describing the medical advisability of the reasonable accommodation or transfer because of pregnancy; and (3) the date on which the need for reasonable accommodation or transfer became or will become medically advisable and the estimated duration of the reasonable accommodation or transfer.

A medical certification indicating disability necessitating a leave is sufficient if it contains: (1) a statement that the employee needs to take pregnancy disability leave because of disability due to pregnancy, childbirth or a related medical condition; (2) the date on which the employee became disabled because of pregnancy; and (3) the estimated duration of the leave.

Upon request, the employee will be provided with a medical certification form that the employee can take to the doctor.

As a condition of returning from pregnancy disability leave or transfer, Hi Pro Inc. requires the employee to obtain a release from a health care provider stating the ability to resume original job duties with or without reasonable accommodation.

PDL is unpaid. At the employee's option, the employee can use any accrued vacation time or other accrued paid time off as part of the PDL before taking the remainder of leave on an unpaid basis. Hi Pro Inc. requires, however, that the employee use any available sick time during the PDL. The substitution of any paid leave will not extend the duration of the PDL. Employees who participate in Hi Pro Inc.'s group health insurance plan will continue to participate in the plan while on PDL under the same terms and conditions as if they were working. Benefit continuation under PDL is distinct from benefit continuation for employees who also take birth bonding leave under the California Family Rights Act. Employees should make arrangements for

payment of their share of the insurance premiums.

Hi Pro Inc. encourages employees to contact the California Employment Development Department regarding eligibility for state disability insurance for the unpaid portion of the leave.

If employees do not return to work on the originally scheduled return date, nor request in advance an extension of the agreed upon leave with appropriate medical documentation, they may be deemed to have voluntarily terminated their employment with Hi Pro Inc. Failure to notify Hi Pro Inc. of their ability to return to work when it occurs or continued absence from work because the leave must extend beyond the maximum time allowed, may be deemed a voluntary termination of employment with Hi Pro Inc., unless employees are entitled to Family and Medical Leave or entitled to further leave pursuant to applicable law.

Upon return from a covered PDL, the employee, in most instances, will be reinstated to the same position.

Taking a PDL may affect some benefits and the employee's seniority date. The employee may request more information regarding eligibility for PDL and the impact of the leave on seniority and benefits.

Any request for leave after the disability has ended will be treated as a request for family care leave under the California Family Rights Act (CFRA) and the federal Family and Medical Leave Act (FMLA), if the employee is eligible for that type of leave. PDL runs concurrently with FMLA (but not CFRA). Employees should refer to the FMLA policy. Employees who are not eligible for leave under the CFRA or FMLA will have a request for additional leave treated as a request for disability accommodation.

## 8-24. Rehabilitation Leave

Hi Pro Inc. is committed to providing assistance to our employees to overcome substance abuse problems. Hi Pro Inc. will reasonably accommodate any employee who wishes to voluntarily enter and participate in an alcohol or drug rehabilitation program. This accommodation may include time off without pay or an adjusted work schedule, provided the accommodation does not impose an undue hardship on Hi Pro Inc. Employees may also use accumulated sick days, if applicable, for this purpose.

Employees should notify Human Resources if they need such accommodation. Hi Pro Inc. will take reasonable steps to safeguard privacy with respect to enrollment in an alcohol or drug rehabilitation program.

## 8-25. Time Off For School Related Activities

Employees that work at a location with 25 or more employees are provided unpaid time off up to 40 hours in one (1) calendar year if they are parents (including individuals acting in the capacity of a parent under the law), guardians, stepparents, foster parents or grandparents with custody of a child attending, or of age to attend, a licensed child care provider or kindergarten through Grade 12. The unpaid leave must be used for the following child-related activities:

1. to find, enroll or reenroll the child in a school or with a licensed child care provider, or to participate in activities of the school or licensed child care provider of the child.
2. to address a child care provider or school emergency, meaning that the child cannot remain in school or with a child care provider due to one of the following:
  - The school or child care provider has requested that the child be picked up or has an attendance policy, excluding planned holidays, that prohibits the child from attending or requires the child to be picked up from the school or child care provider;
  - behavioral or discipline problems;
  - closure or unexpected unavailability of the school or child care provider, excluding planned holidays; or
  - a natural disaster, including, but not limited to, fire, earthquake or flood.

The amount of time off for reason #1 cannot exceed eight (8) hours in any calendar month of the year. Prior to taking leave for reason #1 above, the employee must provide reasonable notice of the planned absence to their Supervisor. The employee must give notice to their Supervisor when taking leave for reason #2 above.



If more than one parent of a child is employed at the same worksite, leave for the reasons above apply, at any one time, only to the parent who first gives notice, such that another parent may take a planned absence simultaneously as to that same child for the reasons above, but only if the parent obtains approval from their Supervisor for the requested time off.

Employees may be required to provide documentation of their participation in these activities. Parents, guardians or grandparents with custody of schoolchildren who have been suspended also are allowed to take unpaid time off to appear at the school pursuant to the school's request. Employees may use accrued paid time off for purposes of the leave taken under this policy.

## **8-26. Time Off For Volunteer Firefighters, Reserve Peace Officers & Emergency Rescue Personnel**

Employees who are volunteer firefighters, reserve peace officers or emergency rescue personnel are permitted unpaid time off, not to exceed 14 days per calendar year, for the purpose of engaging in fire, law enforcement or emergency rescue training. If the employees request time off under the policy, they must notify their direct supervisor immediately after the need for the leave becomes known.

## **8-27. Business Expense Reimbursement**

Hi Pro Inc. will reimburse employees for reasonable expenses incurred for business purposes including, but not limited to, meals, lodging, and transportation. Mileage driven in a personal automobile for business purposes will be reimbursed at the current IRS-approved rate per mile. All business travel and business purchases must be approved in advance by the employee's Operations Manager.

Employees should complete expense reimbursement reports within Within two days of incurring the expenses and submit the reports and receipts to Operations Manager and Accounting Department.

## Section 9 - Colorado Addendum

### 9-1. Pregnancy Accommodations

In compliance with Colorado law, Hi Pro Inc. will not discriminate against employees because of pregnancy, childbirth or related conditions. If employees request reasonable accommodation due to health conditions related to pregnancy or the physical recovery from childbirth, Hi Pro Inc. will endeavor to provide a reasonable accommodation to enable applicants and employees to perform the essential functions of the job, unless the accommodation would impose an undue hardship on the operation of the business. Hi Pro Inc. will engage in a timely, good faith, and interactive process with the employee to determine effective, reasonable accommodations for conditions related to pregnancy, physical recovery from childbirth or a related condition.

Reasonable accommodations may include, but are not limited to: more frequent or longer break periods; more frequent restroom, food and water breaks; acquisition or modification of equipment or seating; limitations on lifting; temporary transfer to a less strenuous or hazardous position if available, with return to the current position after pregnancy; job restructuring; light duty, if available; assistance with manual labor; or modified work schedules.

Hi Pro Inc. will not require employees affected by pregnancy, physical recovery from childbirth or a related condition to accept an accommodation that they choose not to accept if they did not request an accommodation or if the accommodation is not necessary for the employees to perform the essential functions of the job, nor will Hi Pro Inc. require a pregnant employee to take leave if another reasonable accommodation is available which will permit the employee to continue working.

Hi Pro Inc. reserves the right to require employees to provide a note stating the necessity of reasonable accommodation from a licensed health care provider before providing reasonable accommodation.

Hi Pro Inc. will not take adverse action against pregnant employees who request or use reasonable accommodation related to pregnancy, physical recovery from childbirth or a related condition. Hi Pro Inc. will not deny employment opportunities to employees based on the need to make a reasonable accommodation related to pregnancy, physical recovery from childbirth or a related condition.

If employees have any questions about this policy or would like to request reasonable accommodation, they should contact ##colorado\_pregnancy\_accommodation##.

## 9-2. Overtime

**Administrative Personnel:** Non-exempt Colorado employees are entitled to overtime pay at one and one-half times (1.5) their regular rate of pay for all hours worked in excess of 12 hours in a day, 12 hours consecutively (without regard to the starting and ending time of the workday), or 40 hours per workweek, whichever calculation results in the greater payment of wages. Time paid but not worked, such as sick time or vacation time, will not be counted as hours worked in calculating hours worked for purposes of determining if overtime pay is due.

**Colorado Minimum Wage: \$12.56/hour, or \$9.54 for Tipped Employees, in 2022** (Rule 3)

- The minimum wage is adjusted each year for inflation, so the above amounts are only for 2022.
- All employees must be paid at least the minimum wage (unless exempt in Rule 2), whether paid hourly or another way (salary, commission, piecework, etc.), except unemancipated minors can be paid 15% under full minimum wage.
- Use the highest standard if other labor laws also apply, such as Denver's minimum wage (\$15.87 in 2022).

**Meal Periods: 30 minutes uninterrupted and duty-free, for shifts over 5 hours** (Rule 1.9)

- It can be unpaid, but only if employees are completely relieved of all duties, and allowed to pursue personal activities.
- If work makes uninterrupted meal periods impractical, eating on-duty must be permitted, and the time must be paid.
- To the extent practical, meal periods must be at least 1 hour after starting and 1 hour before ending shifts

**Rest Periods: 10 minutes, paid, every 4 hours** (Rule 5.2)

#Work Hours:	Up to 2	>2, up to 6	>6, up to 10	>10, up to 14	>14, up to 18	>18, up to 22	>22
#Rest Periods:	0	1	2	3	4	5	6

- Need not be off-site, but must not include work, and should be in the middle of the 4 hours to the extent practical
- Rest periods are time worked for minimum wage and overtime purposes, and if employers do not authorize and permit rest periods, they must pay extra for time that would have been rest periods, including for non-hourly-paid employees.
- Key variances/exemptions:
  - In some circumstances, 10-minute rest periods can be divided into two of 5 minutes (Rule 5.2.1)
  - Agriculture: certain work requires more breaks; others are exempt (Rule 2.3, & Agricultural Labor Conditions Rules)

**Truck Drivers: Truck drivers are exempt from the overtime law, which means they are not entitled to overtime pay.** Under the Motor Carrier Act exemption under the Fair Labor Standards Act Section 13(b)(1), drivers, driver's helpers, loaders, or mechanics whose duties affect the safety of the operation of motor vehicles in interstate commerce are not required to be paid overtime wages. This exemption applies to over-the-road drivers since they transport goods across state lines. The exemption also applies to local truck drivers if the goods that are being transported are part of an interstate shipment.

**Deductions, Credits, Charges, & Withheld Pay** (Rule 6, and Article 4 of C.R.S. Title 8)

- Final pay: Owed promptly (if a termination by employer) or at next pay date (if employee resigned)
- Vacation pay: Departing employees must be paid all accrued and unused vacation pay, including paid time off usable for vacation, without deducting or declaring forfeiture based on cause for termination, lack of resignation notice, etc.
- Deductions from pay: Allowed if listed below or in C.R.S. 8-4-105 (including deductions required by law, in a written agreement for the benefit of the employee, for theft in a police report, or for property loss after an audit)
- Tip credits: Employers can pay up to \$3.02 under minimum wage (\$9.54 in 2022, or \$12.85 in Denver), if: (a) tips (not mandatory service charges) raise pay to full minimum, & (b) tips aren't diverted to non-tipped staff/owners
- Meal credits/deductions: Allowed for the cost or value (without employer profit) of voluntarily accepted meals
- Lodging credits/deductions: Allowed if housing is voluntarily accepted by the employee, primarily for the employee's

(not the employer's) benefit, recorded in writing, and limited to \$25 or \$100 per week (based on housing type)

- Uniforms: Must be provided at no cost unless they are ordinary clothes without special materials or design; employers must pay for any special cleaning required, and cannot require deposits or deduct for ordinary wear and tear

#### **Exemptions from COMPS (Rule 2.2 lists all; key exemptions are below)**

- Executives/supervisors, administrators, and professionals are paid at least a salary (not hourly wages) of \$45,000 in 2022 (\$50,000 in 2023, \$55,000 in 2024, then inflation-adjusted), except \$28.92/hour for highly technical computer work
- Other highly compensated, non-manual-labor employees are paid at least 2.25, the above salary (\$101,250 in 2022).
- 20% owners, or at a nonprofit the highest-paid/highest-ranked employee, if actively engaged in management
- Various (not all) types of salespersons, taxi drivers, camp/outdoor education field staff, or property managers

#### **Record-Keeping & Notices of Rights (Rule 7)**

- Employers must give all employees (and keep them for three years) pay statements that include time worked, pay rate (including any tips and credits), and total pay.
- This year's poster must be displayed where easily accessible, or if not practical (such as for remote workers), provided within one month of beginning work and when employees request a copy.
- Employers must include a copy of this poster, or a COMPS Order, in any employment handbook or manual.
- Violation of notice of rights rules (posting or distribution), including by providing information undercutting this poster, may yield fines and/or ineligibility for employee-specific credits, deductions, or exemptions in COMPS

#### **Complaint & Anti-Retaliation Rights (Rule 8)**

- Employees can send the Division (contact info below) complaints or tips about violations, or file lawsuits in court.
- Employers cannot retaliate against, or interfere with, employees exercising their rights.
- Anonymous tips are accepted; anonymity or confidentiality are protected if requested (Wage Protection Rule 4.7).
- Owners and other individuals with control over work may be liable for certain violations — not just the business, even if the business is a corporation, partnership, or other entity separate from its owner(s) (Rule 1.6)
- Immigration status is irrelevant to these labor rights: the Division will not ask about or report status in investigations or rulings, and it is illegal for anyone to use immigration status to interfere with these rights (Wage Protection Rule 4.8).

## 9-3. Colorado - Earned Sick Time

### Eligibility

Hi Pro Inc. provides paid sick leave to all employees. For employees who work in Colorado who are eligible for sick leave under the general paid Sick Days policy and/or any other applicable sick time/leave law or ordinance, this policy applies solely to the extent it provides greater benefits/rights on any specific issue or issues than the general paid sick days policy and/or any other applicable sick time/leave law or ordinance.

### Accrual

Employees begin accruing paid sick leave pursuant to this policy at the start of employment. Employees will accrue one (1) hour of paid sick leave for every 30 hours worked, up to a maximum accrual of 48 hours each year, inclusive of any hours carried over from the prior year.

Exempt employees are assumed to work 40 hours in each workweek unless their normal workweek is less than 40 hours, in which case paid sick leave accrues based on that normal workweek.

For purposes of this policy, the year is the consecutive 12-month period beginning January 1 and ending on December 31.

For purposes of this policy, the year is a consecutive 12-month period beginning January 1 and ending on December 31.

### Usage

Employees may begin using accrued paid sick leave immediately. Paid sick leave may be used in hourly increments. Employees may not use more than 48 hours of accrued paid sick leave in any year.

Employees may use accrued paid sick leave for the following reasons:

1. physical illness, injury, mental illness or health condition that prevents the employee from working; the need to obtain a medical diagnosis, care or treatment of a mental or physical illness, injury or health condition; or the need to obtain preventive medical care;
2. to care for a family member who has a mental or physical illness, injury or health condition; needs to obtain a medical diagnosis, care or treatment of a mental or physical illness, injury or health condition; or needs to obtain preventive medical care;
3. The employee or a family member has been the victim of domestic abuse, sexual assault or harassment and the use of leave is to:
  - seek medical attention to recover from a mental or physical illness, injury or health condition caused by domestic abuse, sexual assault or harassment;
  - obtain services from a victim services organization;
  - obtain mental health or other counseling;
  - seek relocation due to domestic abuse, sexual assault or harassment; or
  - seek legal services, including preparation for or participation in a civil or criminal proceeding relating to or resulting from domestic abuse, sexual assault or harassment;
4. due to a public health emergency, a public official has ordered closure of the employee's place of business or the school or place of care of the employee's child and the employee needs to be absent from work to care for the child.

For purposes of this policy, "family member" means a person who is related to the employee by blood, marriage, civil union or adoption; a child to whom the employee stands in loco parentis or a person who stood in loco parentis when the employee was a minor; or a person for whom the employee is responsible for providing or arranging health- or safety-related care.

Use of paid sick leave will not be conditioned upon employee searching for or finding a replacement worker.

Employees must complete a Time Off Request form, which must be turned into Payroll no later than the Friday before the pay

period ends if they wish to be paid for absences that meet the reasons set forth above to the extent that they have earned paid sick time available. Hi Pro Inc. will not assume that employees want to use available earned paid sick time for absences and employees will not be paid for such absences without a completed signed/approved Time Off Request Form.

### **Notice and Documentation**

Paid sick leave must be requested in writing, via the Time Off Request Form. When possible, employees should include the expected duration of the absence. If the need is foreseeable employees must provide reasonable advance notice to their Supervisor of the need to use accrued paid sick leave, and also make a reasonable effort to schedule the paid sick leave in a manner that does not unduly disrupt Hi Pro Inc. operations. Where the need is not foreseeable, employees should provide notice as early as practicable.

For paid sick leave of three (3) or more consecutive work days, Hi Pro Inc. may require reasonable documentation that the paid sick leave was used for an authorized purpose. Hi Pro Inc. reserves the right to request documentation for paid sick leave after any number of days. Hi Pro Inc. will not require the disclosure of details relating to domestic violence, sexual assault or stalking or the details of the employee's or family member's health information as a condition of providing paid sick leave.

### **Payment**

Paid sick leave will be paid at the same hourly rate or salary and with the same benefits, including health care benefits, as the employee normally earns during hours worked. Use of paid sick leave is not considered hours worked for purposes of calculating overtime.

### **Carryover and Payout**

Employees may carry over up to 48 hours of accrued, unused paid sick leave to the following calendar year. Accrued but unused paid sick leave will not be paid at separation. Sick leave cannot be taken at the end of your employment with Hi Pro, Inc.

### **Enforcement and Retaliation**

Hi Pro Inc. cannot retaliate against employees for requesting or using paid sick leave and employees have the right to file a complaint with the Division of Labor Standards and Statistics in the Colorado Department of Labor and Employment or bring a civil action if paid sick leave is denied by Hi Pro Inc. or Hi Pro Inc. retaliates against employees for exercising their rights under applicable law.

If employees have any questions regarding this policy, they should contact Human Resources.

## Section 10 - New Hampshire Addendum

### 10-1. Pregnancy Disability Leave

Employees may take an unpaid leave of absence for the period of temporary physical disability resulting from pregnancy, childbirth or related medical conditions. A pregnancy disability leave begins when an employee is medically determined to be disabled and ends when the employee is medically determined to be able to return to work.

Employees may substitute available vacation, sick and other available paid time off during unpaid leave taken under this policy, but such substitution does not extend the maximum amount of leave time to which an employee is eligible under this policy. This leave will run concurrently with Family and Medical Leave Act (FMLA) leave, as applicable, and any other leave as permitted by applicable law.

During an approved pregnancy disability leave, Hi Pro Inc. will maintain an employee's health insurance benefits under the same terms and conditions applicable to employees not on leave, provided that the employee continues regular employee contributions to these plans on a timely basis. An employee on pregnancy disability leave who is not eligible for FMLA leave or who has exhausted FMLA available leave weeks will be responsible for paying in advance each month the employee portion of the premiums of the employee's insurance coverage(s) and that of any dependents. Failure to do so may result in loss of coverage and possible refusal by the insurance carrier(s) to allow coverage to be reinstated.

Paid time off does not continue to accrue during any unpaid leave of absence, and employees are not eligible for other employment-related benefits such as holiday, bereavement, jury duty, or other pay during the leave.

An employee who returns to work following an approved unpaid leave of absence will be considered as having had continuous employment for purposes of seniority and other benefits based upon years of service.

Employees are required to provide reasonable notice of the date on which leave will commence and the estimated duration of the leave. In addition, employees must provide medical certification of the need for pregnancy disability leave from their health care provider.

The taking of another job while on pregnancy disability leave or any other authorized leave of absence is prohibited except as authorized by Hi Pro Inc. and/or if permitted by applicable law.

When an employee on an approved pregnancy disability leave is physically able to return to work, the employee will be reinstated to the employee's original job or a comparable position unless business necessity makes reinstatement impossible or unreasonable. If the employee fails to return to work on the first working day following the expiration of the leave, the employee will be considered to have voluntarily quit unless Hi Pro Inc. has approved an extension of the leave or the employee's failure to return to work is approved by Hi Pro Inc.

Employees with questions concerning this policy should contact Human Resources.

## Section 11 - Vermont Addendum

### 11-1. Non-Harassment

It is Hi Pro Inc.'s policy to prohibit intentional and unintentional harassment of or against job applicants, contractors, interns, volunteers or employees by another employee, supervisor, vendor, customer or any third party on the basis of actual or perceived race, color, creed, religion, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, genetic information or any other characteristic protected by applicable federal, state or local laws (referred to as "protected characteristics"). Such conduct will not be tolerated by Hi Pro Inc.

The purpose of this policy is not to regulate employees' personal morality, but to ensure that no one harasses another individual in the workplace, including while on Hi Pro Inc. premises, while on Hi Pro Inc. business (whether or not on Hi Pro Inc. premises) or while representing Hi Pro Inc. In addition to being a violation of this policy, harassment or retaliation based on any protected characteristic as defined by applicable federal, state or local laws is also unlawful. For example, sexual harassment and retaliation against an individual because the individual filed a complaint of sexual harassment or because an individual aided, assisted or testified in an investigation or proceeding involving a complaint of sexual harassment as defined by applicable federal, state or local laws are unlawful.

#### Harassment Defined

Harassment generally is defined in this policy as unwelcome verbal, visual or physical conduct that denigrates or shows hostility or aversion toward an individual because of any actual or perceived protected characteristic or has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), visual (including offensive posters, symbols, cartoons, drawings, computer displays, text messages, social media posts or e-mails) or physical conduct (including physically threatening another, blocking someone's way, etc.). Such conduct violates this policy, even if it does not rise to the level of a violation of applicable federal, state or local laws. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a manner consistent with the intended purpose of this policy.

#### Sexual Harassment Defined

Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities and other verbal, visual or physical conduct of a sexual nature when:

- submission to that conduct or those advances or requests is made either explicitly or implicitly as a term or condition of an individual's employment; or
- submission to or rejection of conduct or advances or requests by an individual is used as the basis for employment decisions affecting the individual; or
- the conduct or advances or requests have the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.



Examples of conduct that violates this policy include:

1. unwelcome flirtations, leering, whistling, touching, pinching, assault, blocking normal movement;
2. requests for sexual favors or demands for sexual favors in exchange for favorable treatment;
3. obscene or vulgar gestures, posters or comments;
4. sexual jokes or comments about a person's body, sexual prowess or sexual deficiencies;
5. propositions, or suggestive or insulting comments of a sexual nature;
6. derogatory cartoons, posters and drawings;
7. sexually-explicit e-mails or voicemails;
8. uninvited touching of a sexual nature;
9. unwelcome sexually-related comments;
10. conversation about one's own or someone else's sex life;
11. conduct or comments consistently targeted at only one gender, even if the content is not sexual; and
12. teasing or other conduct directed toward a person because of the person's gender.

### **Reporting Procedures**

If employees have been subjected to or witnessed conduct which violates this policy, they should immediately report the matter to any member of management. (Phone numbers and addresses are available through Hi Pro Inc. directory.) If they are unable for any reason to contact this person, or if they have not received an initial response within five (5) business days after reporting any incident of what they perceive to be harassment, they should contact the Head of Human Resources. (Phone numbers and addresses are available through Hi Pro Inc. directory.) If the person toward whom the complaint is directed is one of the individuals indicated above, the employee should contact any higher-level manager in the reporting hierarchy.

### **Investigation Procedures**

Every report of perceived harassment will be fully investigated, and corrective action will be taken where appropriate. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. All employees must cooperate with all investigations conducted pursuant to this policy.

### **Retaliation Prohibited**

In addition, Hi Pro Inc. will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. If employees feel they have been subjected to any such retaliation, they should report it in the same manner in which they would report a claim of perceived harassment under this policy.

Violation of this policy including any improper retaliatory conduct will result in disciplinary action, up to and including termination.

While employees are encouraged to report claims internally, if they believe they have been subjected to sexual harassment or other harassment in violation of state law, they may file a formal complaint with the government agency or agencies set forth below. Using Hi Pro Inc.'s complaint process does not prohibit the employee from filing a complaint with these agencies.

Vermont Attorney General's Office Civil Rights Unit, 109 State Street, Montpelier, VT 05609 (802) 828-3171 (voice/TDD). The United States Equal Employment Opportunity Commission (EEOC) JFK Federal Building, Room 475 Boston, Massachusetts 02203 (617) 565-3200 (voice).

## 11-2. Vermont - Earned Sick Time

### Eligibility

Hi Pro Inc. provides earned sick time to eligible employees who work for an average of at least 18 hours per week during a year. For employees who work in Vermont who are eligible for sick time under the general sick days policy and/or any other applicable sick time/leave law or ordinance, this policy applies solely to the extent it provides greater benefits/rights on any specific issue or issues than the general sick days policy and/or any other applicable sick time/leave law or ordinance.

### Accrual

Employees begin accruing earned sick time at the start of employment. Eligible employees will accrue one (1) hour of earned sick time for every 52 hours worked up to a maximum accrual of 40 hours each year. For purposes of this policy, the year is the consecutive 12-month period beginning January 1 and ending on December 31.

### Usage

Employees may begin using accrued earned sick time after completion of one (1) year of employment. Earned sick time may be used at a minimum increment of one (1) hour. Employees may not use more than 40 hours of accrued earned sick time in a year.

Employees may use accrued earned sick time for the following reasons:

1. illness, injury, or to obtain professional diagnostic, preventive, routine or therapeutic health care;
2. to care for a sick or injured parent, grandparent, spouse, child, brother, sister, parent-in-law, grandchild or foster child, including helping that individual obtain diagnostic, preventive, routine or therapeutic health treatment; or accompanying the employee's parent, grandparent, spouse or parent-in-law to an appointment related to their long-term care;
3. to arrange for social or legal services or obtain medical care or counseling for the employee or for the employee's parent, grandparent, spouse, child, brother, sister, parent-in-law, grandchild or foster child, who is a victim of domestic violence, sexual assault or stalking; or who is relocating as the result of domestic violence, sexual assault or stalking;
4. to care for a parent, grandparent, spouse, child, brother, sister, parent-in-law, grandchild or foster child because the school or business where that individual is normally located during the employee's workday is closed for public health or safety reasons.

Employees must complete a Time Off Request Form, which must be turned into Payroll no later than the Friday before the pay period ends if they wish to be paid for absences that meet the reasons set forth above to the extent that they have earned paid sick time available. Hi Pro, Inc. will not assume that employees want to use available earned paid sick time for absences and employees will not be paid for such absences without a completed signed/approved Time Off Request Form.

### Notice and Documentation

Employees must notify the Employee's Supervisor as soon as practicable of the intent to take earned sick time as well as the expected duration of the absence. Employees must make reasonable efforts to avoid scheduling routine or preventive health care during regular work hours. For earned paid sick time of three (3) or more consecutive workdays, Hi Pro, Inc. requires reasonable documentation that the earned paid sick time has been used for a covered purpose. Hi Pro, Inc. reserves the right to request documentation for paid sick leave after any number of days off.

### Payment

Earned sick time will be paid at the employee's normal hourly wage rate or the state minimum wage rate, whichever is greater. Use of earned sick time is not considered hours worked for purposes of calculating overtime.

### Carryover and Payout

Employees may carry over up to 40 hours of accrued, unused earned sick time under this policy to the following calendar year. Accrued but unused earned sick time under this policy will not be paid at separation. Sick leave cannot be taken at the end of

your employment with Hi Pro Inc.

If employees have any questions regarding this policy, they should contact Human Resources.

## 11-3. Family And Medical Leave

Employees may be entitled to a leave of absence under the Family and Medical Leave Act ("FMLA") and/or the Vermont Parental and Family Leave Law ("VPFL"). This policy provides employees information concerning FMLA and/or VPFL entitlements and obligations employees may have during such leaves. Whenever permitted by law, Hi Pro Inc. will run FMLA leave concurrently with VPFL and any other leave provided under state or local law. If employees have any questions concerning FMLA and/or VPFL leave, they should contact the Head of Human Resources.

### I. Employees Eligible for FMLA and VPFL Leave

The eligibility requirements under the FMLA and VPFL are set forth below. Employees of Hi Pro Inc. who do not meet the eligibility requirements for FMLA leave may be eligible only for VPFL leave and vice-versa. If both laws are applicable, leave under both laws runs concurrently.

#### A. FMLA Eligibility

FMLA leave is available to "FMLA eligible employees." To be an "FMLA eligible employee," the employee must: 1) have been employed by Hi Pro Inc. for at least 12 months (which need not be consecutive); 2) have been employed by Hi Pro Inc. for at least 1,250 hours of service during the 12-month period immediately preceding the commencement of the leave; and 3) be employed at a worksite where 50 or more employees are located within 75 miles of the worksite.

Special hours of service eligibility requirements apply to airline flight crew employees.

#### B. VPFL Eligibility

To be eligible for VPFL, the employee must: 1) have worked for Hi Pro Inc. for an average of at least 30 hours a week for 12 consecutive months; **and** 2) be employed by an employer doing business in, or operating within, the state of Vermont, which, for parental leave purposes, employs 10 or more employees for an average of at least 30 hours per week for 12 consecutive months; and, for family leave purposes, employs 15 or more employees for an average of at least 30 hours per week for 12 consecutive months.

### II. Entitlements

As described below, the FMLA and VPFL provide eligible employees with a right to leave, health insurance benefits and, with some limited exceptions, job restoration.

#### A. Basic FMLA and VPFL Leave Entitlement

The FMLA provides eligible employees up to 12 workweeks of unpaid leave for certain family and medical reasons during a 12-month period. The VPFL provides eligible employees with up to 12 weeks of unpaid leave within any 12-month period. The 12-month period for FMLA is determined by a rolling 12-month period measured backward from the date the employee uses their FMLA leave.

Leave may be taken for any one, or for a combination, of the following reasons:

- To care for the employee's child after birth, or placement for adoption (of a child 16 years of age or younger - VPFL) (or foster care - FMLA only) - leave for this purpose is considered Parental Leave under the VPFL;
- To care for the employee's spouse (or domestic partner or party to a civil union VPFL only), son, daughter or parent (parent-in-law - VPFL only) who has a **serious health condition** (FMLA only) or **serious illness** (VPFL only) - leave for this purpose is considered Family Leave under the VPFL;
- For the employee's own **serious health condition** (including any period of incapacity due to pregnancy, prenatal medical care or childbirth), that makes the employee unable to perform one or more of the essential functions of the employee's job (FMLA only) or **serious illness** (VPFL only) - leave for this purpose is considered Family Leave under the VPFL; and/or
- Because of any **qualifying exigency** arising out of the fact that the employee's spouse, son, daughter or parent is a military member on covered active duty or called to cover active duty status (or has been notified of an impending call or order to cover active duty) in the Reserve component of the Armed Forces for deployment to a foreign country in

support of contingency operation or Regular Armed Forces for deployment to a foreign country. (FMLA only)

The VPFL also provides eligible employees with up to four (4) hours of unpaid leave in any 30-day period and not to exceed 24 hours in any 12-month period for participation in school activities or conferences, to accompany immediate family members to medical or professional services appointments to include routine or care and well-being, or to respond to a medical emergency involving family member (i.e., short-term family leave).

Under the FMLA, a **serious health condition** is an illness, injury, impairment or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Under the VPFL, a **serious illness** is an accident, disease or physical or mental condition that poses imminent danger of death, requires inpatient care in a hospital or requires continuing in-home care under the direction of a physician.

**Qualifying exigencies** for FMLA leave may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, caring for the parents of the military member on covered active duty and attending post-deployment reintegration briefings.

#### **B. Additional Military Family Leave Entitlement (Injured Servicemember Leave) (FMLA only)**

In addition to the basic FMLA leave entitlement discussed above, an eligible employee who is the spouse, son, daughter, parent or next of kin of a **covered servicemember** is entitled to take up to 26 weeks of leave during a single 12-month period to care for the servicemember with a serious injury or illness. FMLA leave to care for a servicemember will only be available during a single 12-month period and, when combined with other FMLA-qualifying leave, may not exceed 26 weeks during the single 12-month period. The single 12-month period begins on the first day when an eligible employee takes leave to care for the injured servicemember.

A "**covered servicemember**" is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status or is on the temporary retired list, for a serious injury or illness. These individuals are referred to in this policy as "current members of the Armed Forces." Covered servicemembers also include a veteran who is discharged or released from military service under conditions other than dishonorable at any time during the five year period preceding the date the eligible employee takes FMLA leave to care for the covered veteran, and who is who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as "covered veterans."

The FMLA definitions of a "serious injury or illness" for current Armed Forces members and covered veterans are distinct from the FMLA definition of "serious health condition" applicable to FMLA leave to care for a covered family member.

#### **C. Intermittent Leave and Reduced Leave Schedules**

FMLA and/or VPFL leave will usually be taken for a period of consecutive days, weeks or months. However, employees also may be entitled to take leave intermittently or on a reduced leave schedule when medically necessary due to a serious health condition of the employee or covered family member, or the serious injury or illness of a covered service member. Leave due to qualifying exigencies may also be taken on an intermittent or reduced schedule basis.

#### **D. No Work While on Leave**

The taking of another job while on FMLA/VPFL or any other authorized leave of absence is grounds for immediate discharge, to the extent permitted by applicable law.

#### **E. Protection of Group Health Insurance Benefits during Leave**

During FMLA/VPFL leave, eligible employees are entitled to receive group health plan coverage on the same terms and conditions as if they had continued to work.

#### **F. Restoration of Employment and Benefits**

At the end of FMLA leave, subject to some exceptions including situations where job restoration of "key employees" will cause

Hi Pro Inc. substantial and grievous economic injury, employees generally have a right to return to the same or equivalent positions with equivalent pay, benefits and other employment terms. Hi Pro Inc. will notify employees if they qualify as "key employee," if it intends to deny reinstatement, and of their rights in such instances. A "key employee" is defined under the FMLA as the employee among the highest paid 10 percent of all employees who are employed within 75 miles of the worksite. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee's FMLA leave.

As with FMLA leave, at the end of VPFL leave, subject to some exceptions including a variant of the FMLA "key employee" exception, employees generally have the right to return to the same or equivalent position with equivalent pay, benefits and other terms. Under the VPFL, reinstatement may be denied if the employee performed unique services and hiring a permanent replacement during the leave, after giving reasonable notice to the employee of the intent to do so, was the only alternative available to Hi Pro Inc. to prevent substantial and grievous economic injury.

### **G. Notice of Eligibility for, and Designation of, FMLA and VPFL Leave**

Employees requesting FMLA leave are entitled to receive written notice from Hi Pro Inc. telling them whether they are eligible for FMLA leave and, if not eligible, the reasons why they are not eligible. When eligible for FMLA leave, employees are entitled to receive written notice of: 1) their rights and responsibilities in connection with such leave; 2) Hi Pro Inc.'s designation of leave as FMLA-qualifying or non-qualifying, and if not FMLA-qualifying, the reasons why; and 3) the amount of leave, if known, that will be counted against the employee's leave entitlement.

Hi Pro Inc. may retroactively designate leave as FMLA and/or VPFL leave with appropriate written notice to employees provided Hi Pro Inc.'s failure to designate leave as FMLA- or VPFL-qualifying at an earlier date did not cause harm or injury to the employee. In all cases where leaves qualify for FMLA and/or VPFL protection, Hi Pro Inc. and employee can mutually agree that leave be retroactively designated as FMLA and/or VPFL leave. **[Note: The FMLA regulations permit the retroactive designation of FMLA leave only if the employer's failure to timely designate the leave does not cause harm or injury to the employee. Moreover, the VPFL is silent as to whether an employer may retroactively designate leave as VPFL leave. As such, risk exists with respect to retroactive designation, and we caution employers against retroactively designating leave without a close analysis of the facts surrounding the reasons for failing to promptly designate the leave and the harm, if any, it may cause the employee.]**

## **III. Employee FMLA and/or VPFL Leave Obligations**

### **A. Provide Notice of the Need for Leave**

Employees who wish to take FMLA and/or VPFL leave must timely notify Hi Pro Inc. of their need for FMLA and/or VPFL leave. The following describes the content and timing of such employee notices.

#### **1. Content of Employee Notice**

To trigger FMLA and/or VPFL leave protections, employees must inform the Head of Human Resources of the need for FMLA/VPFL-qualifying leave and the anticipated timing and duration of the leave, if known. Employees may do this by either requesting FMLA and/or VPFL leave specifically, or explaining the reasons for leave so as to allow Hi Pro Inc. to determine that the leave is FMLA/VPFL-qualifying. For example, employees might explain that:

- a condition renders them unable to perform the functions of their job or that they are under the continuing care of a health care provider;
- they are pregnant or have been hospitalized overnight;
- a covered family member (including domestic partner, party to a civil union and parent-in-law under VPFL) is under the continuing care of a health care provider or a condition renders the family member unable to perform daily activities;
- the leave is due to a qualifying exigency caused by a military member being on covered active duty or called to covered active duty status to a foreign country(FMLA only); or
- a family member is a covered servicemember with a serious injury or illness (FMLA only).

Calling in "sick," without providing the reasons for the needed leave will not be considered sufficient notice for FMLA leave under this policy. Employees must respond to Hi Pro Inc.'s questions to determine if absences are potentially FMLA-qualifying.

If employees fail to explain the reasons for leave, the leave may be denied. When employees seek leave due to FMLA/VPFL-qualifying reasons for which Hi Pro Inc. has previously provided FMLA/VPFL-protected leave, employees must specifically reference the qualifying reason for the leave or the need for FMLA and/or VPFL leave.

## 2. Timing of Employee Notice

Employees must provide 30 days' advance notice of the need to take FMLA and/or VPFL leave when the need is foreseeable. When 30 days' notice is not possible, or the approximate timing of the need for leave is not foreseeable, employees must provide Hi Pro Inc. notice of the need for leave as soon as practicable under the facts and circumstances of the particular case. Employees who fail to give 30 days' notice for foreseeable leave without a reasonable excuse for the delay, or otherwise fail to satisfy FMLA and/or VPFL notice obligations, may have leave delayed or denied, to the extent permitted by applicable law.

With respect to short-term Family Leave, Employees must notify Hi Pro Inc. as early as possible, but in no event later than seven (7) days before leave is expected to be taken except in cases of emergency. Employees must also provide reasonable notice of any intent to extend leave.

### **B. Cooperate in the Scheduling of Planned Medical Treatment (Including Accepting Transfers to Alternative Positions) and Intermittent Leave or Reduced Leave Schedules**

When planning medical treatment, employees must consult with Hi Pro Inc. and make a reasonable effort to schedule treatment so as not to unduly disrupt Hi Pro Inc.'s operations, subject to the approval of the employee's health care provider. The employee must consult with Hi Pro Inc. prior to the scheduling of treatment to work out a treatment schedule that best suits the needs of both Hi Pro Inc. and the employee, subject to the approval of the employee's health care providers. If the employee providing notice of the need to take leave on an intermittent basis for planned medical treatment neglects to fulfill this obligation, Hi Pro Inc. may require the employee to attempt to make such arrangements, subject to the approval of the employee's health care provider.

When employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for the employee or a family member, including during a period of recovery from a serious health condition or to care for a covered servicemember, Hi Pro Inc. may temporarily transfer employees, during the period that the intermittent or reduced leave schedules are required, to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave, subject to applicable law.

When the employee seeks intermittent leave or a reduced leave schedule for reasons unrelated to the planning of medical treatment, upon request, the employee must advise Hi Pro Inc. of the reason why such leave is medically necessary. In such instances, Hi Pro Inc. and employee shall attempt to work out a leave schedule that meets the employee's needs without unduly disrupting Hi Pro Inc.'s operations, subject to the approval of the employee's health care provider.

### **C. Submit Medical Certifications Supporting Need for Leave (Unrelated to Requests for Military Family Leave)**

Depending on the nature of leave sought, employees may be required to submit medical certifications supporting their need for FMLA/VPFL-qualifying leave. As described below, there generally are three types of medical certification: an **initial certification**, a **recertification** and a **return to work/fitness for duty certification**.

It is the employee's responsibility to provide Hi Pro Inc. with timely, complete and sufficient medical certification. Whenever Hi Pro Inc. requests employees to provide medical certifications, employees must provide the requested certifications within 15 calendar days after Hi Pro Inc.'s request, unless it is not practicable to do so despite the employee's diligent, good faith efforts. Hi Pro Inc. will inform employees if submitted medical certifications are incomplete or insufficient and provide employees at least seven calendar days to cure deficiencies. Hi Pro Inc. will deny leave to employees who fail to timely cure deficiencies or otherwise fail to timely submit requested medical certifications.

With the employee's permission, subject to applicable law, Hi Pro Inc. (through individuals other than the employee's direct supervisor) may contact the health care provider to authenticate or clarify completed and sufficient medical certifications. If the employee chooses not to provide Hi Pro Inc. with authorization allowing it to clarify or authenticate the certification with the health care provider, Hi Pro Inc. may deny leave if the medical certification is unclear. **[Note: It is unclear whether an employer may seek authentication and clarification (with the employee's permission) regarding the medical certification of a family member. Moreover, the FMLA and VPFL do not specifically permit or prohibit an employer from contacting the family member's health care provider directly. Therefore, some risk exists under the FMLA and VPFL in contacting a family member's health care provider for purposes of authentication and clarification even if an employer obtains the employee's or family member's consent.]**

Whenever Hi Pro Inc. deems it appropriate to do so, it may waive its right to receive timely, complete and/or sufficient medical certifications.

#### **1. Initial Medical Certifications**

Employees requesting leave because of their own, or a family member's serious health condition, or to care for a covered servicemember, must supply medical certification supporting the need for such leave from their health care provider or, if applicable, the health care provider of their covered family member or servicemember. If employees provide at least 30 days' notice of medical leave, they should submit the medical certification before leave begins. A new initial medical certification will be required on an annual basis for serious medical conditions lasting beyond a single leave year.

If Hi Pro Inc. has reason to doubt initial medical certifications, it may require employees to obtain a second opinion at Hi Pro Inc.'s expense, subject to applicable law. If the opinions of the initial and second health care providers differ, Hi Pro Inc. may, at its expense, require employees to obtain a third, final and binding certification from a health care provider designated or approved jointly by Hi Pro Inc. and the employee.

## **2. Medical Recertifications**

Depending on the circumstances and duration of FMLA leave, subject to applicable law, Hi Pro Inc. may require employees to provide recertification of medical conditions giving rise to the need for leave. Hi Pro Inc. will notify employees if recertification is required and will give employees at least 15 calendar days to provide medical recertification.

## **3. Return to Work/Fitness for Duty Medical Certifications**

Unless notified that providing such certifications is not necessary, where permitted by law, the employees returning to work from leave that was taken because of their own serious health conditions that made the employees unable to perform their job must provide Hi Pro Inc. medical certification confirming the employee is able to return to work and the employee's ability to perform the essential functions of the employee's position, with or without reasonable accommodation. Hi Pro Inc. may delay and/or deny job restoration until the employee provides a return to work/fitness for duty certification, subject to applicable law.

### **D. Submit Certifications Supporting Need for Military Family Leave**

Upon request, the first time employees seek leave due to qualifying exigencies arising out of the covered active duty or call to covered active duty status of a military member, Hi Pro Inc. may require employees to provide: 1) a copy of the military member's active duty orders or other documentation issued by the military indicating the military member is on covered active duty or call to covered active duty status and the dates of the military member's covered active duty service; and 2) a certification from the employee setting forth information concerning the nature of the qualifying exigency for which leave is requested. Employees shall provide a copy of new active duty orders or other documentation issued by the military for leaves arising out of qualifying exigencies arising out of a different covered active duty or call to covered active duty status of the same or a different military member.

When leave is taken to care for a covered servicemember with a serious injury or illness, Hi Pro Inc. may require employees to obtain certifications completed by an authorized health care provider of the covered servicemember. In addition, and in accordance with the FMLA regulations, Hi Pro Inc. may request that the certification submitted by employees set forth additional information provided by the employee and/or the covered servicemember confirming entitlement to such leave.

### **E. Substitute Paid Leave for Unpaid FMLA and VPFL Leave**

Under the FMLA, employees may use any accrued paid time while taking unpaid FMLA leave. Under the VPFL, employees may elect to use up to six weeks of accrued paid time off. The substitution of paid time for unpaid FMLA and/or VPFL leave time does not extend the length of FMLA and/or VPFL leave and the paid time will run concurrently with the employee's FMLA and/or VPFL entitlement.

During the leave, employees may be eligible for compensation, such as temporary disability benefits, or workers' compensation benefits. Any compensation or leave taken in connection with any other policy/plan shall run concurrently with any FMLA/VPFL leave entitlement. Upon written request, Hi Pro Inc. will allow employees to use accrued paid time to supplement any paid disability benefits.

Upon request, Hi Pro Inc. will allow employees to use accrued paid time to supplement any paid disability benefits and workers' compensation benefits.

### **F. Pay Employee's Share of Health Insurance Premiums**

During FMLA/VPFL leave, employees are entitled to continued group health plan coverage under the same conditions as if they had continued to work. Unless Hi Pro Inc. notifies employees of other arrangements, whenever employees are receiving pay from Hi Pro Inc. during leave, Hi Pro Inc. will deduct the employee portion of the group health plan premium from the employee's paycheck in the same manner as if the employee was actively working. If leave is unpaid, employees must pay their

portion of the group health premium through a method determined by Hi Pro Inc. upon leave.

Hi Pro Inc.'s obligation to maintain health care coverage ceases if the employee's premium payment is more than 30 days late. If the employee's payment is more than 15 days late, Hi Pro Inc. will send a letter notifying the employee that coverage will be dropped on a specified date unless the co-payment is received before that date. If employees do not return to work within 30 calendar days at the end of the leave period (unless employees cannot return to work because of a serious health condition or other circumstances beyond their control), they will be required to reimburse Hi Pro Inc. for the cost of the premiums Hi Pro Inc. paid for maintaining coverage during their unpaid FMLA leave.

#### **IV. Coordination of FMLA/VPFL Leave with Other Leave Policies**

The FMLA and VPFL do not affect any federal, state or local law prohibiting discrimination, or supersede any state or local law that provides greater family or medical leave rights. However, whenever permissible by law, Hi Pro Inc. will run FMLA leave concurrently with VPFL and any other leave provided under state or local law. For additional information concerning leave entitlements and obligations that might arise when FMLA/VPFL leave is either not available or exhausted, employees should consult Hi Pro Inc.'s other leave policies in this handbook or contact the Head of Human Resources.

#### **V. Questions and/or Complaints about FMLA/VPFL Leave**

If employees have questions regarding this FMLA/VPFL policy, please contact the Head of Human Resources. Hi Pro Inc. is committed to complying with the FMLA and, whenever necessary, shall interpret and apply this policy in a manner consistent with the FMLA/VPFL.

The FMLA makes it unlawful for employers to: 1) interfere with, restrain or deny the exercise of any right provided under FMLA; or 2) discharge or discriminate against any person for opposing any practice made unlawful by FMLA or involvement in any proceeding under or relating to FMLA. If employees believe their rights have been violated, they should contact the Head of Human Resources immediately. Hi Pro Inc. will investigate any complaints and take prompt and appropriate remedial action to address and/or remedy any violation. Employees also may file FMLA complaints with the United States Department of Labor or may bring private lawsuits alleging FMLA violations.

## **11-4. Pregnancy Accommodations**

In compliance with Vermont law, Hi Pro Inc. will endeavor to reasonably accommodate the needs of employees for a pregnancy-related condition, unless doing so would impose an undue hardship on Hi Pro Inc. For purposes of this policy, "pregnancy-related condition" means a limitation of the employee's ability to perform the functions of a job caused by pregnancy, childbirth or a medical condition related to pregnancy or childbirth.

Reasonable accommodations for the employee, may include, but are not limited to:

1. bathroom breaks;
2. breaks for increased water intake;
3. periodic rest;
4. access to a chair or stool;
5. assistance with specific duties;
6. temporary transfers to less strenuous or hazardous work;
7. a private, clean space for breast-feeding;
8. time off for prenatal appointments; or
9. time off to recover from medical conditions related to pregnancy or childbirth.

Any employee with questions about this policy or who needs to request accommodation due to pregnancy, childbirth or a related medical condition should contact the Head of Human Resources.



## 11-5. School Attendance Leave

Hi Pro Inc. will grant employees who are parents or guardians of school-age children up to four (4) hours of unpaid leave during any 30-day period and up to 24 hours of unpaid leave in a 12-month period to:

- participate in activities at their children's school directly related to academic educational advancement;
- attend to or accompany the employee's child to routine medical or dental appointments;
- accompany the employee's parent, spouse or parent-in-law to other appointments for professional services related to their care and well-being; and
- respond to a medical emergency involving the employee's child, parent, spouse or parent-in-law.

Leave must be taken in a minimum of two-(2)-hour segments. At least seven (7) days' advance notice is required and the employee is required to make a reasonable effort to schedule such appointments outside of regular work hours. Employees must first use accrued paid time off for this purpose.

## General Handbook Acknowledgment

This Employee Handbook is an important document intended to help employees become acquainted with Hi Pro Inc. This document is intended to provide guidelines and general descriptions only; it is not the final word in all cases. Individual circumstances may call for individual attention.

Because Hi Pro Inc.'s operations may change, the contents of this Handbook may be changed at any time, with or without notice, in an individual case or generally, at the sole discretion of management.

Please read the following statements and sign below to indicate your receipt and acknowledgment of this Handbook.

**I have received and read a copy of Hi Pro Inc.'s Employee Handbook. I understand that the policies, rules and benefits described in it are subject to change at the sole discretion of Hi Pro Inc. at any time.**

**I further understand that my employment is terminable at will, either by myself or Hi Pro Inc., with or without cause or notice, regardless of the length of my employment or the granting of benefits of any kind.**

**I understand that no representative of Hi Pro Inc. other than the CEO and/or the Head of Human Resources and/or the Vice President may alter their "at will" status and any such modification must be in writing and signed.**

**I understand that my signature below indicates that I have read and understand the above statements and that I have received a copy of Hi Pro Inc.'s Employee Handbook.**

Employee's Printed Name: \_\_\_\_\_

Employee's Signature: \_\_\_\_\_

Position: \_\_\_\_\_

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

The signed original copy of this acknowledgment should be given to management - it will be filed in your personnel file.

## Receipt Of Non-Harassment Policy

It is Hi Pro Inc.'s policy to prohibit intentional and unintentional harassment of or against job applicants, contractors, interns, volunteers or employees by another employee, supervisor, vendor, customer or any third party on the basis of actual or perceived race, color, creed, religion, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, genetic information or any other characteristic protected by applicable federal, state or local laws (referred to as "protected characteristics"). Such conduct will not be tolerated by Hi Pro Inc.

The purpose of this policy is not to regulate our employees' personal morality, but to ensure that no one harasses another individual in the workplace, including while on Hi Pro Inc. premises, while on Hi Pro Inc. business (whether or not on Hi Pro Inc. premises) or while representing Hi Pro Inc. In addition to being a violation of this policy, harassment or retaliation based on any protected characteristic as defined by applicable federal, state, or local laws is also unlawful. For example, sexual harassment and retaliation against an individual because the individual filed a complaint of sexual harassment or because an individual aided, assisted or testified in an investigation or proceeding involving a complaint of sexual harassment as defined by applicable federal, state, or local laws are unlawful.

### Harassment Defined

Harassment generally is defined in this policy as unwelcome verbal, visual or physical conduct that denigrates or shows hostility or aversion towards an individual because of any actual or perceived protected characteristic or has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), visual (including offensive posters, symbols, cartoons, drawings, computer displays, text messages, social media posts or e-mails) or physical conduct (including physically threatening another, blocking someone's way, etc.). Such conduct violates this policy, even if it does not rise to the level of a violation of applicable federal, state or local laws. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a manner consistent with the intended purpose of this policy.

### Sexual Harassment Defined

Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities and other verbal, visual or physical conduct of a sexual nature when:

- submission to that conduct or those advances or requests is made either explicitly or implicitly as a term or condition of an individual's employment; or
- submission to or rejection of conduct or advances or requests by an individual is used as the basis for employment decisions affecting the individual; or
- the conduct or advances or requests have the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Examples of conduct that violates this policy include:

1. unwelcome flirtations, leering, whistling, touching, pinching, assault, blocking normal movement;
2. requests for sexual favors or demands for sexual favors in exchange for favorable treatment;
3. obscene or vulgar gestures, posters or comments;
4. sexual jokes or comments about a person's body, sexual prowess or sexual deficiencies;
5. propositions or suggestive or insulting comments of a sexual nature;
6. derogatory cartoons, posters and drawings;
7. sexually-explicit e-mails, text messages or voicemails;
8. uninvited touching of a sexual nature;
9. unwelcome sexually-related comments;
10. conversation about one's own or someone else's sex life; conduct or comments consistently targeted at only one gender, even if the content is not sexual; and

- 11.
12. teasing or other conduct directed toward a person because of the person's gender.

### **Reporting Procedures**

If the employee has been subjected to or witnessed conduct which violates this policy, the employee should immediately report the matter to any member of management. If the employee is unable for any reason to contact this person, or if the employee has not received an initial response within five (5) business days after reporting any incident of what the employee perceives to be harassment, the employee should contact the Head of Human Resources. If the person toward whom the complaint is directed is one of the individuals indicated above, the employee should contact any higher-level manager in the reporting hierarchy.

### **Investigation Procedures**

Every report of perceived harassment will be fully investigated, and corrective action will be taken where appropriate. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. All employees must cooperate with all investigations conducted pursuant to this policy.

### **Retaliation Prohibited**

In addition, Hi Pro Inc. will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. If the employee has been subjected to any such retaliation, the employee should report it in the same manner in which the employee would report a claim of perceived harassment under this policy.

Violation of this policy including any improper retaliatory conduct will result in disciplinary action, up to and including termination.

I have read and I understand Hi Pro Inc.'s Non-Harassment Policy.

Employee's Printed Name: \_\_\_\_\_

Employee's Signature: \_\_\_\_\_

Position: \_\_\_\_\_

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

The signed original copy of this receipt should be given to management - it will be filed in your personnel file.

## Employee Handbook, Rev Date October 2022

Employee's Printed Name: \_\_\_\_\_

Employee's Signature: \_\_\_\_\_

Position: \_\_\_\_\_

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

The signed original copy of this receipt should be given to management - it will be filed in your personnel file.

## Acknowledgment And Receipt Of California: Discrimination, Harassment And Retaliation Prevention Policy

Hi Pro Inc. does not tolerate and prohibits discrimination, harassment or retaliation of or against job applicants, contractors, interns, volunteers or employees by another employee, supervisor, vendor, customer or third party based on actual or perceived race, color, creed, religion, age, sex or gender (including pregnancy, childbirth and related medical conditions), sexual orientation, gender identity or gender expression (including transgender status), national origin, ancestry, marital status, protected medical condition as defined by state law (including cancer or genetic characteristics), physical or mental disability, military and veteran status, genetic information, or any other characteristic protected by applicable federal, state, or local laws and ordinances. Hi Pro Inc. is committed to a workplace free of discrimination, harassment and retaliation.

Our management team is dedicated to ensuring the fulfillment of this policy as it applies to all terms and conditions of employment, including recruitment, hiring, placement, promotion, transfer, training, compensation, benefits, employee activities and general treatment during employment.

### Discrimination Defined

Discrimination under this policy means treating differently or denying or granting a benefit to an individual because of the individual's protected characteristic.

### Harassment Defined

Harassment is defined in this policy as unwelcome verbal, visual or physical conduct creating an intimidating, offensive or a hostile work environment that interferes with work performance. Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), visual (including offensive posters, symbols, cartoons, drawings, computer displays or e-mails) or physical conduct (including physically threatening another, blocking someone's way, etc.) that denigrates or shows hostility or aversion toward an individual because of any protected characteristic. Such conduct violates this policy, even if it is not unlawful. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a manner consistent with the intended purpose of this policy.

### Sexual Harassment Defined

Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities, and other verbal or physical conduct of a sexual nature. Sexual harassment includes unwelcome or unwanted conduct that is either of a sexual nature or directed at an individual because of that individual's sex when:

- submission to that conduct or to those advances or requests is made either explicitly or implicitly as a term or condition of an individual's employment;
- submission to or rejection of conduct or advances or requests by an individual is used as the basis for employment decisions affecting the individual; or
- the conduct or advances or requests have the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Examples of conduct that violates this policy include:

1. unwelcome or unwanted sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, and blocking normal movement;
2. requests for sexual favors or demands for sexual favors in exchange for favorable treatment;
3. obscene or vulgar gestures, posters, or comments;
4. sexual jokes or comments about a person's body, sexual prowess or sexual deficiencies;
5. propositions or suggestive or insulting comments of a sexual nature;
6. derogatory cartoons, posters and drawings;
7. sexually explicit e-mails, text messages or voicemails;
8. uninvited touching of a sexual nature;
9. unwelcome or unwanted sexually related comments;
10. conversation about one's own or someone else's sex life;
11. conduct or comments consistently targeted at only one gender, even if the content is not sexual; and

12. teasing or other conduct directed toward a person because of the person's gender.

### **Retaliation Defined**

Retaliation means adverse conduct taken because an individual reported an actual or a perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. "Adverse conduct" includes but is not limited to:

- shunning and avoiding an individual who reports harassment, discrimination or retaliation;
- express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination or retaliation; and
- denying employment benefits because an applicant or employee reported harassment, discrimination or retaliation or participated in the reporting and investigation process described below.

**All discrimination, harassment and retaliation is unacceptable in the workplace and in any work-related settings such as business trips and business-related social functions, regardless of whether the conduct is engaged in by a supervisor, a coworker, a client, a customer, a vendor or another third party.**

### **Reporting Procedures**

The following steps have been put into place to ensure the work environment is respectful, professional, and free of discrimination, harassment and retaliation. If the employee believes someone has violated this policy or the Equal Employment Opportunity Policy, the employee should promptly bring the matter to the immediate attention of any member of management. (Phone numbers are available through Hi Pro Inc. Directory.) If this individual is the person toward whom the complaint is directed, the employee should contact any higher-level manager in the reporting chain. If the employee makes a complaint under this policy and has not received a satisfactory response within five (5) business days, the Head of Human Resources should be contacted immediately. (Phone numbers are available through Hi Pro Inc. directory.)

Every supervisor who learns of any employee's concern about conduct in violation of this policy, whether in a formal complaint or informally, must immediately report the issues raised to the Head of Human Resources.

### **Investigation Procedures**

Upon receiving a complaint, Hi Pro Inc. will promptly conduct a fair and thorough investigation into the facts and circumstances of any claim of a violation of this policy or the Equal Employment Opportunity policy. To the extent possible, Hi Pro Inc. will endeavor to keep the reporting employee's concerns confidential. However, complete confidentiality may not be possible in all circumstances.

During the investigation, Hi Pro Inc. generally will interview the complainant and the accused, conduct further interviews as necessary, and review any relevant documents or other information. Upon completion of the investigation, Hi Pro Inc. shall determine whether this policy has been violated based on its reasonable evaluation of the information gathered during the investigation. Hi Pro Inc. will inform the complainant and the accused of the results of the investigation.

Hi Pro Inc. will take corrective measures against any person who it finds to have engaged in conduct in violation of this policy, if Hi Pro Inc. determines such measures are necessary. These measures may include, but are not limited to, counseling, suspension or immediate termination. Anyone, regardless of position or title, who Hi Pro Inc. determines has engaged in conduct that violates this policy will be subject to discipline up to and including termination.

### **Training**

All Employees are required to undergo harassment prevention training as required by applicable law. For more information about this training requirement, visit <https://www.dfeh.ca.gov/shpt/>.

### **Retaliation Prohibited**

In addition to being a violation of this policy, harassment, discrimination or retaliation also can be against the law. Employees who engage in conduct that rises to the level of a violation of the law can be held personally liable for such conduct.

Remember, Hi Pro Inc. cannot remedy claimed discrimination, harassment or retaliation unless employees bring these claims to the attention of management. Employees should not hesitate to report any conduct they believe violates this policy.



I acknowledge that I have received, read, and understand Hi Pro Inc.'s Discrimination, Harassment, and Retaliation Prevention Policy. I agree to abide by and be bound by the rules, provisions and standards set forth in Hi Pro Inc.'s policy. I further acknowledge that Hi Pro Inc. reserves the right to revise, delete, and add to the provisions of the Discrimination, Harassment and Retaliation Prevention Policy at any time. I also acknowledge I have received the California Department of Fair Employment & Housing's brochure, Sexual Harassment, The Facts About Sexual Harassment (DFEH-185 brochure).

Employee's Printed Name: \_\_\_\_\_

Employee's Signature: \_\_\_\_\_

Position: \_\_\_\_\_

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

The signed original copy of this receipt should be given to management - it will be filed in your personnel file.

## Colorado: Comps Order Acknowledgment Form

I acknowledge that I have received the Colorado Overtime and Minimum Pay Standards Order ("COMPS Order") #38 poster.

Employee's Printed Name: \_\_\_\_\_

Employee's Signature: \_\_\_\_\_

Position: \_\_\_\_\_

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

The signed original copy of this acknowledgment should be given to management - it will be filed in your personnel file.

## Vermont: Receipt Of Non-Harassment Policy

It is Hi Pro Inc.'s policy to prohibit intentional and unintentional harassment of or against job applicants, contractors, interns, volunteers or employees by another employee, supervisor, vendor, customer or any third party on the basis of actual or perceived race, color, creed, religion, national origin, ancestry, citizenship status, age, sex or gender (including pregnancy, childbirth and pregnancy-related conditions), gender identity or expression (including transgender status), sexual orientation, marital status, military service and veteran status, physical or mental disability, genetic information or any other characteristic protected by applicable federal, state or local laws (referred to as "protected characteristics"). Such conduct will not be tolerated by Hi Pro Inc.

The purpose of this policy is not to regulate employees' personal morality, but to ensure that no one harasses another individual in the workplace, including while on Hi Pro Inc. premises, while on Hi Pro Inc. business (whether or not on Hi Pro Inc. premises) or while representing Hi Pro Inc. In addition to being a violation of this policy, harassment or retaliation based on any protected characteristic as defined by applicable federal, state or local laws is also unlawful. For example, sexual harassment and retaliation against an individual because the individual filed a complaint of sexual harassment or because an individual aided, assisted or testified in an investigation or proceeding involving a complaint of sexual harassment as defined by applicable federal, state or local laws are unlawful.

### **Harassment Defined**

Harassment generally is defined in this policy as unwelcome verbal, visual or physical conduct that denigrates or shows hostility or aversion toward an individual because of any actual or perceived protected characteristic or has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Harassment can be verbal (including slurs, jokes, insults, epithets, gestures or teasing), visual (including offensive posters, symbols, cartoons, drawings, computer displays, text messages, social media posts or e-mails) or physical conduct (including physically threatening another, blocking someone's way, etc.). Such conduct violates this policy, even if it does not rise to the level of a violation of applicable federal, state or local laws. Because it is difficult to define unlawful harassment, employees are expected to behave at all times in a manner consistent with the intended purpose of this policy.

### **Sexual Harassment Defined**

Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities and other verbal, visual or physical conduct of a sexual nature when:

- submission to that conduct or those advances or requests is made either explicitly or implicitly as a term or condition of an individual's employment; or
- submission to or rejection of conduct or advances or requests by an individual is used as the basis for employment decisions affecting the individual; or
- the conduct or advances or requests have the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Examples of conduct that violates this policy include:

1. unwelcome flirtations, leering, whistling, touching, pinching, assault, blocking normal movement;
2. requests for sexual favors or demands for sexual favors in exchange for favorable treatment;
3. obscene or vulgar gestures, posters or comments;
4. sexual jokes or comments about a person's body, sexual prowess or sexual deficiencies;
5. propositions, or suggestive or insulting comments of a sexual nature;
6. derogatory cartoons, posters and drawings;
7. sexually-explicit e-mails or voicemails;
8. uninvited touching of a sexual nature;
9. unwelcome sexually-related comments;
10. conversation about one's own or someone else's sex life;
11. conduct or comments consistently targeted at only one gender, even if the content is not sexual; and
12. teasing or other conduct directed toward a person because of the person's gender.

### **Reporting Procedures**

If employees have been subjected to or witnessed conduct which violates this policy, they should immediately report the matter to any member of management. (Phone numbers and addresses are available through Hi Pro Inc. directory.) If they are unable for any reason to contact this person, or if they have not received an initial response within five (5) business days after reporting any incident of what they perceive to be harassment, they should contact the Head of Human Resources. (Phone numbers and addresses are available through Hi Pro Inc. directory.) If the person toward whom the complaint is directed is one of the individuals indicated above, the employee should contact any higher-level manager in the reporting hierarchy.

### **Investigation Procedures**

Every report of perceived harassment will be fully investigated, and corrective action will be taken where appropriate. All complaints will be kept confidential to the extent possible, but confidentiality cannot be guaranteed. All employees must cooperate with all investigations conducted pursuant to this policy.

### **Retaliation Prohibited**

In addition, Hi Pro Inc. will not allow any form of retaliation against individuals who report unwelcome conduct to management or who cooperate in the investigations of such reports in accordance with this policy. If employees feel they have been subjected to any such retaliation, they should report it in the same manner in which they would report a claim of perceived harassment under this policy.

Violation of this policy including any improper retaliatory conduct will result in disciplinary action, up to and including termination.

While employees are encouraged to report claims internally, if they believe they have been subjected to sexual harassment or other harassment in violation of state law, they may file a formal complaint with the government agency or agencies set forth below. Using Hi Pro Inc.'s complaint process does not prohibit the employee from filing a complaint with these agencies.

Vermont Attorney General's Office Civil Rights Unit, 109 State Street, Montpelier, VT 05609 (802) 828-3171 (voice/TDD). The United States Equal Employment Opportunity Commission (EEOC) JFK Federal Building, Room 475 Boston, Massachusetts 02203 (617) 565-3200 (voice).

I have read and I understand Hi Pro Inc.'s Non-Harassment Policy.

Employee's Printed Name: \_\_\_\_\_

Employee's Signature: \_\_\_\_\_

Position: \_\_\_\_\_

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

The signed original copy of this receipt should be given to management - it will be filed in your personnel file.