Empire Southwest, LLC

and Affiliated Companies

Employee Handbook

MAY 2019
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Welcome to Empire! We are very excited to have you as part of the Empire family – one that has been growing in number and quality since Empire Southwest first became a Caterpillar dealer in 1950. Please know that you were selected to join the Empire team not only for your skills and experience, but also because of your commitment to success. During the interview process, we recognized, in you, the special qualities that we feel will help Empire become a stronger organization.

We are recognized as one of the top equipment dealers in the country and have gained this status through the dedication and commitment of your fellow workers. Our continuing success will now also depend on you and your successes. You have joined a team of people who strive to “Be the Best” not only in themselves, but also for the collective team and our clients. We are looking forward to the start of your career with us and want you to know how much we appreciate you choosing Empire as your employer of choice.

Most importantly, we want you to know we are a “Values Based” company. Your ability to succeed depends greatly upon your ability to live our Corporate Values every day, even when things get difficult. We are pleased to have you with us and encourage you to help us continue our outstanding record of achievement. It is our hope that your association with us will be both personally and professionally rewarding in serving each other, our clients, and our communities. Remember, EMPIRE is not an entity, YOU are EMPIRE.

Please accept our best wishes for your ongoing success.

Sincerely,

Jeff Whiteman
President/CEO

Chris Zaharis
Executive Vice President

Jim Smith
Executive Vice President

John Helms
Vice President/CFO

Our History
Empire Southwest is a family owned business founded in 1950 as Empire Machinery, an Eastern Oregon Caterpillar and John Deere dealership. When founder Jack Whiteman was awarded Caterpillar’s Arizona territory in 1959, Empire relocated and began building partnerships with Arizona’s construction and mining industries that endure today.

In the decades that followed, Arizona’s booming economy and a culture based on integrity and customer service fueled steady growth for Empire. A willingness to diversify and respond to client needs led Empire to establish additional support services. Today, Empire Southwest is a fullservice Caterpillar and agriculture equipment dealer. Empire Southwest and its affiliated companies (collectively, “company” or
“Empire”) provide a full array of services to the construction, mining, agriculture, on-highway truck, waste and power industries within our territory.

John O. Whiteman succeeded his father as CEO in the mid-1990s. Under John’s leadership, Empire focused on customer service, encouraged community involvement among its employees, established the official Corporate Values and celebrated its 50th anniversary.

Third generation President and CEO Jeffrey S. Whiteman took the Empire reins in early 2002. He led Empire through the economic uncertainties following 9/11, instituted the 6 Sigma process improvement model, and renewed Empire’s commitment to supporting its clients, communities and employees.

Today Empire Southwest ranks among the top dealers in the world. Our territory now includes the state of Arizona, and southeastern California. Employees share a comprehensive benefits package, family friendly leadership, and pride at being part of one of the Southwest’s most respected companies.

Our Values

SAFETY: Empire employees know that a safe work environment is essential to the health and well-being of everyone. At Empire, “Safety First” is more than a slogan. It is a personal commitment to preventing unsafe conditions of any kind, and a pledge to employ safe practices every day in the workplace.

RESPECT: Empire people believe in enhancing and building self-esteem and self-worth, in showing care and consideration for others.

INTEGRITY: Adherence to code or principle. In our case, that principle is honesty – honesty in our word, in our message and in our deeds. The strong client, supplier and employee relationships we’ve developed and value so highly are based on our long-standing integrity as a company.

TEAMWORK: At Empire, we work as a team, not a collection of individuals. We see ourselves as “stakeholders” involved in achieving a common goal. This sense of teamwork is an integral part of what makes Empire an enjoyable, energized, upbeat and satisfying Empire to work for and with.

EXCELLENCE: We have a reputation for excellence – in the services we provide, in the products we sell, in the way we do things. We look for ways to continually improve our individual and collective performance. Empire people are never satisfied with “good enough.”

STEWARDSHIP: “Adding to” rather than “taking from.” It is about enhancing the assets entrusted us; human, intellectual and capital. It is about taking care of our people, protecting the environment and giving something of value back to the communities in which we live and work.

ASTONISHMENT: Going the extra mile to satisfy a client, doing the unexpected, exceeding his/her expectations. Empire people do this because they enjoy doing it. It makes us a special kind of company to do business with and keeps our clients loyal and highly satisfied.
ABOUT THIS HANDBOOK

We look forward to working with you. To ensure you have the information you need to be successful, you should familiarize yourself with the policies and procedures described in this Handbook. We tried to think of everything, but please keep in mind that this Handbook contains general information and guidelines only and is not intended to cover every possible situation that may arise during your employment. For that reason, if you have questions concerning eligibility for a particular benefit, or how a particular policy or procedure applies to you, we encourage you to direct your questions to your supervisor or Human Resources.

As our business grows and changes, we may need to revise our policies or benefits from time to time to meet our changing needs. We will communicate any such revisions to you. While this Handbook is designed to provide helpful information to you, it is not an employment contract. This Handbook also does not alter your employment status, which is “at-will.” This means that either you or the company can end your employment for any reason at any time, with or without notice. Your at-will status can only be changed by a written document signed by the company’s President/CEO or Executive Vice President.

Some of the topics covered in this Handbook may be addressed in more detail in a separate policy, benefits document, or agreement. In such cases, the language in the more detailed policy, document or agreement will govern. You should refer to these documents for specific information. While every effort has been made to ensure that our policies are consistent with state and federal law, if an inconsistency arises the policy will be enforced so as to be consistent with the applicable law.

Again, we are excited you have decided to join Empire and we look forward to a mutually beneficial working relationship.
YOUR RIGHTS

Equal Employment Opportunity/Reasonable Accommodation
In order to provide equal employment and advancement opportunities to all employees and applicants, our employment decisions are based on merit, qualifications, and abilities. We do not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, pregnancy, family care status, national origin, ethnicity, age, disability, genetic information, veteran status, military service obligation, lawful medical marijuana use, sexual orientation, gender identity, reporting a work-related injury or illness or any other legally protected classification. This policy governs all aspects of employment, including selection, job assignment, promotion, compensation, discipline, termination, and access to benefits and training.

Consistent with our commitment to EEO principles, we recognize that if you suffer from a disability as recognized under the law, you may be entitled to a reasonable accommodation that will enable you to perform the essential functions of your job. If you believe you are entitled to such an accommodation, you should consult with your supervisor or Human Resources. Such requests will be considered on a case-by-case basis and consistent with applicable state and federal law. We reserve the right to request documentation from your treating physician or medical provider substantiating the existence of a medical condition and need for the requested accommodation. We will engage in an interactive process in an effort to identify a reasonable accommodation that will enable you to perform your essential job functions without creating an undue hardship on the company. Requests for accommodations will be treated as strictly confidential and any medical documentation shared with us will be maintained in a separate medical file.

Suspected violations of our EEO policy should be immediately reported in accordance with the Complaint Procedures as described in this Handbook.

Policy Prohibiting Harassment and Retaliation
We are committed to providing a work environment free of unlawful workplace harassment. This policy extends to the actions of all employees (regardless of their position or seniority), vendors, contractors, visitors, clients, or anyone else who comes in contact with our employees while they are engaged in company business. Workplace Harassment refers to objectionable, intimidating, or hostile actions, words, jokes, or comments directed at someone because of his or her race, color, religion, sex, pregnancy, family care status, national origin, ethnicity, age, disability, genetic information, veteran status, military service obligation, lawful medical marijuana use, sexual orientation, gender identity, or any other legally protected characteristic (or because of his or her association with someone in a protected category) will not be tolerated (“Workplace Harassment”). Workplace Harassment is a form of employee misconduct that is demeaning to another person, undermines the integrity of the employment relationship, and is strictly prohibited.

One form of prohibited Workplace Harassment -- sexual harassment -- includes, but is not limited to, making unwanted sexual advances and requests for sexual favors where either:

- Such conduct has the purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment; or
- Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting the individual; or
Submission to the suggested conduct is explicitly, or by implication, made a term or condition of employment.

Prohibited sexual conduct can take many forms. Examples include:

- Abusive, offensive, or unwelcome sexual conversation, innuendo, jokes, or teasing;
- Unwelcome sexual flirtation, advances, or propositions;
- Unwelcome touching, kissing, hugging, pinching, or brushing against another person;
- Explicit demands for sexual favors or subtle pressure for sexual activity;
- Offensive, insulting, or suggestive gestures, leering, sounds, or comments, whether or not said in the person's presence;
- Using a position of responsibility to threaten or reward someone for sexual favors;
- Continuing to ask someone out after the person has made it clear she or he does not want to go;
- Displaying sexually explicit or suggestive graffiti, clothing, cartoons, photographs, calendars, notes, or the like;
- Sending sexually graphic material through our e-mail system, voice mail, cell phones, text pagers, radios, any company device, etc., or using any company-provided internet, mail, cell phones or computers for viewing such material.

This policy is not limited to sexual conduct. Offensive conduct directed at another because of that person's race, ethnicity, national origin, disability, age, religion, gender, sexual orientation, gender identity, or any other legally protected characteristic is also prohibited. Examples include:

- Slurs, jokes, or derogatory stories or comments, whether or not members of the targeted group are present;
- Displaying graffiti or other derogatory or insulting writings;
- Sabotaging, damaging, or interfering with the work of anyone;
- Other hostile, intimidating, or threatening, speech or conduct.

Even if harassing conduct may not violate the law, it may still be a violation of this policy as we expect a level of professionalism of our employees above and beyond what the law requires.

Suspected violations of this policy should be immediately reported in accordance with the Complaint Procedures as described in this Handbook.

Non-Retaliation
If you report, or support someone that reports a suspected violation of this policy, or are involved in an investigation of a policy violation, you will not be subject to reprisal or retaliation. Retaliation is a serious violation of this policy and should be reported immediately. The report and investigation of allegations of retaliation will follow the procedures set forth in this policy. Any person found to have violated our prohibition against retaliation will be subject to appropriate disciplinary action. Adverse actions that can form the basis of retaliatory conduct can take many forms, including but not limited to:

- Discharge, demotion, or any other discipline of the employee
- Unfavorable changes in the employee's work assignment, workload, pay, benefits or other terms of employment
- Sabotaging, damaging, or interfering with the employee's work
- Applying different standards or expectations to the employee
- Other hostile or inappropriate conduct or treatment that affects the employee’s workplace, equipment, tools, or personal effects

**Constructive Discharge Notice**
You are encouraged to communicate to us whenever you believe working conditions may become intolerable to you and may cause you to resign. Under Arizona law (A.R.S. §23-1502), you may be required to notify an appropriate company representative in writing that a working condition exists that you believe is intolerable, that will compel you to resign or that constitutes a constructive discharge, if you want to preserve the right to bring a claim against the company alleging that the working condition forced you to resign. An appropriate company representative is your supervisor or Human Resources.

As mandated by Arizona law, you may be required to wait for 15 calendar days after providing written notice before you may resign if you desire to preserve the right to bring a constructive discharge claim against the company. You may be entitled to paid or unpaid leave of absence of up to fifteen calendar days while waiting for our response to your written communication about your working condition.

**Complaint Procedure**
Suspected violations of company-policies, including, but not limited to, those set forth in “Your Rights” Section of this Handbook should be immediately reported to your supervisor or Human Resources. We will accept complaints in writing or orally. You may also report violations via the HR Helpline number: 480-633-5440. You must report any incident of discriminatory or harassing conduct you may observe, even if you are not the target or victim of the conduct.

Once a complaint is received, a company representative who is not involved in the suspected violation will promptly, thoroughly and discreetly undertake an investigation in a neutral manner. The matter will be treated in confidence to the fullest extent feasible, but absolute confidentiality cannot be guaranteed. You are expected to cooperate with an investigation by providing factual information to the investigator. We have a compelling interest in protecting the integrity of our investigations. In every investigation, we have a strong desire to protect witnesses from harassment, intimidation and retaliation, to keep information from being destroyed, to ensure that statements are not fabricated, and to prevent cover-up. We may decide in some circumstances that in order to achieve these objectives, you must maintain the investigation and your role in it in strict confidence. If we reasonably impose such a requirement and you do not maintain such confidentiality, you may be subject to disciplinary action up to and including immediate termination.

If you report a suspected violation of our policies, or if you participate as a witness in an investigation of such conduct, you will be protected from coercion, intimidation, or retaliation. We regard retaliation to be as severe an offense as discrimination or harassment, and such behavior should be reported in accordance with this Complaint Procedure.

Violations of these policies will result in prompt and effective corrective action. Discipline is determined on a case by case basis and can be up to and including termination. The specific discipline imposed will depend on the nature of the offense and other relevant factors as determined by the company in its sole discretion. No one, regardless of position or tenure, is immune from disciplinary action.
Employee Classifications
As our employee, you will fall into two employment classifications, one based on the applicable wage and hour laws and another based on our internal practices. These classifications are defined below:

Wage and Hour Classifications
Exempt employees are those whose job duties are exempt from the overtime provisions of the applicable wage and hour laws. These employees generally hold professional, executive/managerial, administrative, computer and commission-based or outside sales positions. Exempt employees are not eligible for overtime pay. They are paid a fixed salary, which is intended to cover all hours worked, regardless of how few or how many. Their salary is not subject to deductions, except as authorized by law.

Hourly Non-Exempt employees are those who do not qualify as exempt under applicable wage and hour laws. They are paid on an hourly basis and are eligible to receive overtime pay in accordance with the applicable wage and hour laws. (See Overtime section).

Salaried Non-Exempt employees are those who do not meet the requirements of exempt status under applicable wage and hour laws, but are nevertheless paid a fixed salary intended to cover all hours worked, regardless of how few or many. In addition, these employees are compensated for overtime in accordance with applicable federal and state wage and hour laws. (See Overtime section).

Internal Classifications
Full Time employees are those who are regularly scheduled to work 40 or more hours per week. They are eligible for company-provided benefits as outlined in this Handbook and the applicable summary plan description.

Part Time employees are those who are regularly scheduled to work less than 40 hours per week. Part time employees who work at least 30 hours per week (known as “benefits eligible part-time employees”) are eligible to receive certain benefits as outlined in this Handbook and the applicable summary plan description. Part time employees who work less than 30 hours per week are not benefits eligible, except for sick leave. (See Sick Leave section).

Seasonal employees are those who are hired for a short duration, usually three months or less. Seasonal employees are not benefits eligible.

Temporary workers and Contractors are retained for a specified project or time frame (generally not more than six (6) months) and may or may not work a regular schedule. They are not considered our employees. Temporary workers are paid according to the terms of hire for that individual or through an employment agency. Contractors are paid directly according to the agreement entered into with that individual or entity. Neither temporary workers nor contractors are eligible to receive any company-provided benefits.

If you have questions regarding your classification, you should contact your supervisor or Human Resources immediately.

Change in Internal Classifications
If you change status from a full time employee to a benefits eligible part-time employee, and have
completed the waiting period, you will not have to meet additional waiting period requirements upon change of status.

If you change status from a part-time employee without benefits or a non-employee to benefits eligible status (either full time or part time), the benefit waiting period begins to run on the effective date of becoming benefits eligible.

**The Hiring Process**

During the application process, you were required to complete, date and sign our standard employment application form and/or provide other information (i.e., resume) concerning your background, education, and prior employment history. We based our hiring decision on the information you supplied. If we learn, at any time, that the information you supplied in connection with the application process was false, incomplete or misleading, you will be subject to disciplinary action, up to and including termination. Your hire, continued employment, transfer/reassignment or promotion may be contingent upon you successfully passing a substance abuse screening and background check.

**Immigration Law Compliance**

We are committed to employing only those individuals who are authorized to work in the United States. To that end, new hires are required to complete a Form I-9 at the time of hire and comply with any state-specific new hire electronic verification process. The I-9 form requires documentation evidencing your identity and authorization to work in the United States. You will be deemed ineligible for hire if you fail to provide acceptable I-9 documentation within the required timeframe or meet any new hire verification requirements imposed by state law. You will also be terminated if it is determined the documentation you submitted was fraudulent or has expired and you cannot provide updated information. Supervisors who knowingly or intentionally hire an individual who is not authorized to work in the U.S. will be subject to immediate termination and possible criminal penalties.

**Protection of Private Information**

We maintain a personnel file on each employee. Personnel records are our property and will be treated the same as our other confidential business information. Employee medical information is considered particularly confidential and will be maintained separately from non-medical personnel information. Access to employee personnel and medical records is restricted to authorized persons only. Unauthorized personnel shall not view, copy or access personnel and/or medical files. You will have access to your own personnel records consistent with applicable law.

As part of our employment process, we collect the Social Security Numbers (SSNs) of applicants and employees on applications and employee enrollment forms. This information is collected to perform checks or screening on potential employees if necessary, and to process payroll and other benefits for current employees. Access to applicant, employee, and third-party SSNs entrusted to us as part of our business will be strictly limited to authorized persons who need them to fulfill the tasks described above. We shall treat SSNs and any documents and storage media containing them as confidential and protect them from unauthorized access and use with appropriate administrative, technical and physical safeguards, including some or all of the following, as appropriate to the specific environment and risks to the information: password protection; encryption; limited access; locked offices; locked file cabinets and secure vaults. Any documents and/or storage media containing personally identifiable information, such as SSNs, must be destroyed in a manner which renders them unusable, unreadable or indecipherable prior to disposal.

The following disclosures and uses of SSNs are prohibited; (1) publicly posting or publicly displaying in any manner a SSN; (2) printing a SSN on any card required for the individual to access products or services; (3) requiring an individual to transmit his/her SSN over the Internet, unless the connection is
secure or the SSN is encrypted; and (4) requiring an individual to use his/her SSN to access an Internet web site, unless a password or unique personal identification number or other authentication device is also required to access the Internet web site; and (5) any unlawful disclosure or use of SSNs. This policy does not prevent the collection, use or release of an SSN as required by state or federal law or the use of an SSN for internal verification or administrative purposes.

**Changes in Your Personal Information**

It is important that you notify Human Resources of any changes in the following information so we can ensure proper and prompt processing of your payroll and benefits:

- Your name
- Your marital status
- Your address
- Your telephone number
- Number of eligible dependents (require dependent names, dates of birth, and SSN’s to enroll in Empire benefits)
- W-4 and State tax withholding deductions
- Emergency contact

**Reference Checks**

All inquiries regarding our past or present employees, whether written or telephonic, should be referred to The Work Number (TWN) or your local Human Resources representative. TWN verifies the employee’s name, employment status, hire date, position title (if still active), and income (if authorized by employee). No other information will be furnished without the express written authorization from the employee or former employee, unless compelled by law.

The Work Number can be used anytime, anywhere – available 24 hours a day, 7 days a week.

- Access The Work Number via [www.theworknumber.com](http://www.theworknumber.com) or 1-800-367-5690
  
  Empire employer code: 11890

- Client Service Center:
  
  1-800-996-7566 (Voice) or 1-800-424-0253 (TTY – Deaf)
  
  Monday-Friday, 7AM – 8PM (CST)

Under no circumstances should you release information about another past or present employee over the telephone or in writing, including social media outlets, such as LinkedIn, Facebook, Twitter, Instagram and MySpace.
YOUR PAY AND PROGRESS

Payment of Wages
Wages are paid bi-weekly. The pay period normally ends every other Sunday at midnight. Bi-weekly paychecks are issued and distributed every other Thursday covering the previous two (2) weeks ending Sunday midnight, except when the payroll period is shortened by a holiday. If the normal payday falls on a weekend or company-recognized holiday, paychecks will typically be distributed the previous workday.

An earnings statement will be issued to you each pay period, indicating your gross pay, statutory deductions and voluntary deductions. The amount of Federal withholding is affected by the number of exemptions claimed on Form W-4, Employee’s Withholding Allowance Certificate. If your marital status or number of exemptions changes, you should submit a new Form W-4, which can be obtained on the intranet under Human Resources. This link can be found on Empire’s intranet under Human Resources. At the same time, you may also change your state withholding and Direct Deposit information.

We encourage you to carefully examine your paychecks for inadvertent errors or improper deductions. Any such errors should be immediately reported to your supervisor or Human Resources.

You have the option of receiving your pay loaded onto a payroll debit card or having it deposited into your bank account through our direct deposit program. Please contact Human Resources for more details regarding direct deposit. Paychecks will only be released to you, unless you provide us with written authorization to release the paycheck to an authorized person.

Payroll Deductions
Your pay is subject to all applicable tax withholdings. We will also make deductions to comply with any court-mandated garnishment order, voluntary benefit enrollments and for group insurance coverage. You should deliver a copy of any garnishment orders to Human Resources for processing.

If you are paid on an hourly basis, deductions can be made from your pay for the smallest increment of time available under our timekeeping system. If you are paid on a salaried basis (either exempt or non-exempt), deductions can be made from your salary only as provided for under applicable wage and hour laws. Any legal limitation on salary deductions relates to paycheck deductions only. We reserve the right to apply some or all of your accrued paid time off benefits (i.e., vacation, sick, etc.) to “cover” your absences from work.

If you believe an improper deduction has been made, you should immediately report this information to your supervisor or Human Resources. Reports of improper deductions will be promptly investigated. If we determine an improper deduction has occurred, you (and any other similarly situated employee) will be reimbursed and appropriate corrective action will be taken to ensure no further violations of this policy occur. We do not permit retaliation against anyone who reports a violation of this policy.

Work Schedules
Our normal hours of operation vary by worksite and department. Your specific schedule, including rest and meal periods, will be set by your supervisor. If you are a non-exempt employee, you must obtain advance approval from your supervisor in order to work outside your scheduled hours. All employees must obtain advance written approval from their supervisor in order to telecommute; however, telecommuting is not available in all business areas. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that you may be scheduled each day and week.
Overtime Pay (Hourly Non-exempt/Salaried Non-exempt Employees Only)
From time to time, non-exempt employees may be asked or required to work overtime to meet our operational needs. You are not permitted to work overtime (either at the office or remotely) without obtaining advance approval from your supervisor. While unauthorized overtime will be paid, such action will subject you to disciplinary action, up to and including termination.

You are typically eligible for overtime if you work more than 40 hours in a consecutive 7-day work week as designated for your work area.

Overtime is paid to non-exempt employees at the rate of 1½ times their regular rate of pay, or as mandated by state law.

Only time you are actually working (productive hours) is counted in determining your overtime eligibility. Non-productive hours (i.e., lunch break, paid or unpaid time off, etc.) are not considered work time. Under no circumstances will we award “comp” time in lieu of paying overtime.

State law may require that overtime be paid differently than described above. We will, of course, comply with the applicable state overtime laws.

Shift Differentials
Hourly non-exempt employees whose regular work schedule includes 4 or more hours outside of 6 a.m. to 6:30 p.m. may be eligible for shift differential pay. The availability of shift differential pay and the differential amount is subject to discontinuance and change as business needs dictate.

Timekeeping
Non-exempt (both hourly and salaried) employees are required to record their time in accordance with our timekeeping systems to ensure that actual hours worked are properly recorded. Exempt employees may also be asked to record their time for internal tracking purposes.

Non-exempt employees, whose time is billed out to clients, use the Work Order system to record time. The start time and end time must be recorded for each day worked. Other non-exempt employees will use the automated timekeeping system. You must use the applicable time keeping system: (1) at the beginning and end of your scheduled work day; and (2) when you leave and return from a meal period of 20 minutes or longer. It is critical that you submit your time records when due so we can ensure you are paid correctly and without any delays in the issuance of your paycheck. However, you should review your time records for errors before submitting them. If you find an error, you should immediately report it to your supervisor or Human Resources, and the necessary steps will be taken to promptly correct the error.

Non-exempt employees may not work outside of their scheduled work hours without advance approval from their supervisor.

Falsifying time records (including working “off the clock” or inflating time worked), using a co-worker's employee I.D. number, or tampering with a co-worker’s time records is expressly prohibited.

Expense Reimbursement / Company Credit Cards
We will reimburse you for business-related expenses according to the expense reimbursement procedures established by us from time to time. These procedures will be separately communicated to employees who are authorized to incur business-related expenses. Under all circumstances, expenses
must be specifically business-related to obtain reimbursement, and our decision regarding the appropriateness of the expenditure will be final and conclusive.

If you are issued a company credit card, you must limit your expenditures to business-related charges. Non-business-related credit card charges will be deducted from your paycheck to the fullest extent permitted by law. Use of a company credit card is a privilege and, therefore, we reserve the right to discontinue your use of a company credit card at any time and for any reason. Misuse of the company credit card can subject you to corrective action, up to and including termination of employment.

If you have any questions as to whether a particular expense is appropriate, consult your supervisor before incurring it.

Performance Feedback
Your success is vital to our success. Therefore, from time to time, typically annually, your supervisor will review your job progress. However, on occasion, circumstances may prevent or delay your scheduled performance review, and thus periodic performance evaluations are not promised. Reviews are intended to provide the basis for a better understanding between you and your supervisor with respect to your job performance, potential and development. Merit increases may or may not coincide with a performance review. Such increases are entirely discretionary and are based on individual and company performance.

Advancement and Transfers
We have a talented staff with many complementary capabilities and wherever possible, we prefer (but are not required) to promote from within and to provide the opportunity for advancement for those employees with a proven track record (reliable, high performance, positive team-oriented attitude). For purposes of advancement, credit is given to educational level, ability to handle responsibility, supervisory experience and general performance. In other words, promotions are earned, not automatic. If at any time you are concerned about your progress, or if there is any other matter concerning you about your employment, please discuss it with your supervisor or Human Resources.
TIME AWAY FROM WORK

**Vacation**

*Eligible Employees*
We support you maintaining a healthy work/life balance. Accordingly, we provide full-time employees and benefits eligible part-time employees with paid vacation time. Vacation time is available for use after sixty (60) days of employment.

*Accrual Schedule*
The amount of vacation leave time is based on length of continuous service according to the following accrual schedule, and is accrued each pay period in even installments over the anniversary year to equal the applicable maximum benefit accrual.

<table>
<thead>
<tr>
<th>Length of Service</th>
<th>Maximum Benefit Accrual (hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full-time</td>
</tr>
<tr>
<td>Six (6) months</td>
<td>40</td>
</tr>
<tr>
<td>One (1) year</td>
<td>88</td>
</tr>
<tr>
<td>Three (3) years</td>
<td>96</td>
</tr>
<tr>
<td>Five (5) years</td>
<td>104</td>
</tr>
<tr>
<td>Six (6) years</td>
<td>112</td>
</tr>
<tr>
<td>Seven (7) years</td>
<td>120</td>
</tr>
<tr>
<td>Eight (8) years</td>
<td>128</td>
</tr>
<tr>
<td>Nine (9) years</td>
<td>136</td>
</tr>
<tr>
<td>Ten (10) + years</td>
<td>168</td>
</tr>
</tbody>
</table>

Vacation time accrual is suspended if you are on any form of unpaid leave or leave for which you are receiving disability or insurance benefits (i.e., STD, LTD, workers’ compensation), but will resume upon your return from leave.

Vacation time is paid at your regular pay rate in effect at the start of your leave. It does not include overtime or any special forms of compensation such as incentives, commissions, or bonuses.

*Use of Vacation Time*
We encourage you to use all your annual allotted vacation time each year for rest and relaxation. However, vacation time can be accumulated up to a maximum of 120 hours. Vacation time is available and will appear on your earning statement for use after 60 days of employment.

If a company-recognized holiday falls while you are out on vacation, the day will be paid as a holiday and your vacation accrual will not be charged.

*Scheduling of Vacation Time*
You must submit a request for vacation to your supervisor at least two (2) weeks in advance. If you fail to provide sufficient advance notice, your vacation request may be denied or delayed. We reserve the right to approve when some or all vacation time is taken based upon our staffing needs. Generally, vacation will not be approved for more than 80 consecutive hours.
**Donation of Vacation Hours**
You may be permitted to donate a limited amount of vacation hours to another benefits-eligible employee who has exhausted his/her available vacation time accrual by submitting the required form for approval. You may be allowed to donate vacation time as long as you have a minimum of 24 hours in your accrual balance after donation. Vacation donation should be used for a medical emergency only as determined by the company in its sole discretion. We reserve the right to deny a donation request at our discretion. You are not permitted to donate accrued sick time. The “Vacation Donation Form” is available to you via your supervisor or Human Resources.

Upon separation of employment, you will be paid out any unused accrued vacation time. To the fullest extent permitted by law, we may deduct any debts owed to us from your final vacation payout.

**Sick Leave**
Employees accrue paid sick leave for absences occasioned by:

- your illness, injury or health condition
- to care for the illness, injury, or health condition of your “family member,” (as defined below)
- a public health emergency resulting in closure of your work, or child’s day care or school location
- your need to address the effects of domestic or sexual violence, abuse, or stalking against you or your family member
- to extend a bereavement leave

For purposes of this Sick Leave policy, “family member” is defined as your parents, spouse, domestic partner, children (biological, foster, adopted or step of you or your domestic partner), siblings, grandparents, guardians, in-laws (mother, father, brother, sister), or any other individual related by blood or affinity whose close association is the equivalent of a family relationship.

Sick leave begins to accrue upon hire, but you may not use sick time until you complete sixty (60) days of employment.

You are expected to make reasonable efforts to schedule your foreseeable sick time so as not to unduly disrupt our business operations. Sick time may be used in the smaller of one-hour increments or the smallest increment of time available under our timekeeping system.

We do not “advance” sick time nor permit employees to transfer or donate their sick time to another employee.

Full time employees accrue 3.077 hours of sick leave per pay period, up to a maximum of 80 hours per anniversary year. Benefits eligible part-time employees accrue 2.31 hours of sick leave per pay period, up to a maximum of 60 hours per anniversary year. Full-time and benefits eligible part-time employees may carry over an unlimited amount of sick leave from one anniversary year to the next.

Part-time employees who work on average less than 30 hours per week and seasonal employees accrue 1 hour of sick leave for every 30 hours worked, up to a maximum of 40 hours per anniversary year. Unless otherwise prohibited by law, part-time employees who work on average less than 30 hours per week and seasonal employees may carry over up to 40 hours of unused, accrued sick time from one anniversary year to the next, but may not use more than their maximum annual accrual of sick time per anniversary year.
You can use accrued sick leave to supplement reduced earnings during a medical leave of absence, but you may not earn more than your regular wages. You may not use sick pay in lieu of short-term disability ("STD") benefits if you are eligible to receive STD benefits. Any sick leave accrued after December 1, 2004, will not have a cash value for payout if you leave the company.

State law may require that sick leave accrue differently than described above. We will, of course, comply with the applicable state sick leave laws.

Sick leave accrual is suspended if you are on any form of unpaid leave or leave for which you are eligible for disability or insurance benefits (i.e., STD, LTD, workers’ compensation), but will resume upon your return from leave. You will be placed on a leave of absence if you take more than five (5) consecutive sick days. The leave begins on your first day of absence from work.

Sick time is paid at your base pay rate at the time leave is taken. It does not include overtime or any special forms of compensation such as incentives, holiday pay or bonuses.

You are required to report your use of sick time to your supervisor in accordance with the call-in procedures described in this Handbook. You will not be disciplined for using paid sick time, but failure to report sick time use in accordance with our call-in procedures may result in denial of sick time and/or disciplinary action.

If you use sick time for three or more consecutive work days, you may be required to supply a note from your treating health care provider (or other appropriate documentation permitted by law), to verify your entitlement to sick pay. We also reserve the right to request a fitness-for-duty certification from your medical provider that specifically addresses your ability to perform the essential functions of your job and substance abuse screening prior to your return from sick leave.

**Holidays**

Full-time employees and benefits eligible part-time employees are eligible for time off with pay on company-designated holidays immediately upon hire. The company recognizes the holidays listed below; however, this list is subject to change from time to time at the discretion of management:

- New Year’s Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day
- Two Floating Holidays

Floating Holidays will be granted at the beginning of each new calendar year. Part-time employees with benefits will receive two 6 – hour Floating Holidays. Full time employees can use their Floating Holidays in half day increments. Floating Holidays must be used during the calendar year in which they are granted or they will expire. Floating Holidays have no cash value upon separation from Empire. Employees are encouraged to use their Floating Holidays early in the Calendar year. In addition to the foregoing paid holidays, we provide up to ½ day off without pay for religious holidays with advance approval from your supervisor. You can use available vacation leave time for absences related to religious holidays.
Full time employees will receive eight (8) hours of holiday pay and benefits eligible part time employees will receive six (6) hours of holiday pay, regardless of how many hours the employee is regularly scheduled to work. Holidays are paid at your base pay rate in effect at the time of the holiday. It does not include overtime or any special forms of compensation such as incentives, commissions, or bonuses.

An hourly employee who works on a holiday will receive eight (8) hours holiday pay, in addition to their regular pay for working that day.

When a paid holiday falls on a Saturday it will be observed on the preceding Friday. When a paid holiday falls on a Sunday it will be observed on the following Monday.

To be eligible for holiday pay, you must work your regularly scheduled shift on the day preceding and the day following the holiday, unless you are on approved vacation leave or sick leave supported by appropriate documentation. If you are on any form of leave of absence (paid or unpaid), you will not receive holiday pay.

**Bereavement**
Full-time employees are eligible for up to three days of paid bereavement leave for the death of an immediate family member. An “immediate family member” includes your spouse, children, step-children, parents, step-parents, grandparents, grandchildren, siblings, mother-in-law, father-in-law, daughter-in-law, son-in-law, brother-in-law, sister-in-law, niece, nephew, aunt, and uncle. Your supervisor or Human Resources may authorize exceptions to this list.

You are expected to notify your supervisor as soon as you learn of the need for the absence. Verification of death may be required. If you require additional time off, you may use up to two (2) days of accrued sick leave. Employees classified as benefits eligible part-time (working 30 hours or more per week) can use up to five days off using sick and vacation time.

**Civic Duty Leave**
We will grant full time employees up to ten (10) days of paid time off in a rolling 12-month period to perform civic obligations, such as jury duty, appearing in court as a witness (not as a party) or serving on an election board. If you are summoned for jury service or as a witness in a court proceeding, you must supply a copy of the summons to your supervisor or Human Resources when requesting time off. Proof of completion of service should also be supplied to your supervisor or Human Resources. Any pay you may receive in connection with your civic duty service should be submitted to Human Resources and will be deducted from your civic duty pay. You must report to work immediately upon being excused from service. If your civic duty service does not interfere with your work schedule, you are expected to report to work. You will be restored to your position at the conclusion of your service. If your service exceeds ten (10) days, please contact Human Resources.

**Military Leave**
Empire values and supports its employees who serve in the armed forces. We will fully comply with our obligations under applicable federal and state law concerning military leaves of absence, including the Uniformed Services Employment and Re-employment Rights Act (USERRA).

In addition, we provide certain paid leave benefits to full time employees who have military service obligations as outlined in this policy. You will be paid the difference between your full military pay (gross) and your regular wages for a maximum of two (2) weeks in a rolling twelve (12)-month period when you are required to attend weekly drills, summer or short-term active training duty. You will be paid the
difference between your full military pay (gross) and your regular wages for a maximum of thirty (30) days in a rolling twelve-month period when you are called for short-term duty. Please contact Human Resources to coordinate your military leave, military pay, insurance benefit continuation, and reinstatement rights.

Family and Medical Leave

Qualifying Absences
The Family and Medical Leave Act (“FMLA”) allows eligible employees to take up to 12 scheduled work weeks of unpaid leave during a 12 month leave period for the following reasons:

- The birth of a child, or the placement of a child for adoption or foster care (leave must conclude within 12 months of the child’s birth or placement);
- To care for a spouse, son or daughter, or parent who has a serious health condition; and
- For your own serious health condition.

The 12-month leave period adopted by us for consideration of FMLA entitlement is a “rolling year,” which is measured backward from the date you use any leave.

Eligibility for FMLA
You are eligible for FMLA consideration only if you have:

- Completed 12 months of employment with us;
- Worked at least 1,250 hours during the 12-month period immediately prior to the leave; and
- Worked at a site with 50 or more employees, or where 50 or more employees are located within 75 miles of the work site.

Guidelines and Procedures
If you believe you are entitled to FMLA leave, you should contact your supervisor or Human Resources as soon as possible so the appropriate paperwork can be completed. You are required to provide us with sufficient information about your circumstances so as to put us on notice of your need for FMLA leave; otherwise, your absence will be handled in accordance with our standard attendance policy. Calling in sick in and of itself does not put us on notice of an FMLA-qualifying absence. Requests for FMLA leave must be submitted 30 days in advance of the leave. If such advance notice is not feasible, notice should be given as soon as practicable. In reporting an FMLA absence, you must comply with our regular call-in procedures absent extenuating circumstances. Failure to do so will result in the absence being treated as unexcused and possible disciplinary action.

When the leave is for a serious health condition of either you or your family member, you will be asked to provide certification from the treating health care provider. We will provide you with a medical certification form, which must be returned to us within 15 days. Failure to submit a fully completed form in the allotted time may result in postponement or denial of a leave request. A medical certification form is valid for 12 months. After leave has been granted, you may be periodically asked to submit additional documentation to substantiate the need for continued leave. If an extension to a leave is requested, the same procedures outlined above should be repeated.

As with all other unpaid leaves, you will not accrue any paid time off (i.e., vacation, sick, holiday, etc.) during an unpaid FMLA leave period. Further, any accrued vacation, sick days, short term disability, workers’ compensation, or other form of paid or unpaid time off runs concurrently with your unpaid FMLA
leave. The concurrent running of paid leave time during FMLA leave does not extend the 12-week leave period or result in your receipt of more than 100% of your compensation. Your paid leave accruals will resume upon your return from FMLA leave.

**Intermittent Leave**
If you are approved for intermittent FMLA leave, it may be necessary to transfer you to a comparable position with equivalent pay and benefits that will better accommodate an intermittent or reduced schedule.

**Restoration of Employment**
Upon your return from FMLA, you will be reinstated to the same position you held before the leave, or an equivalent one with equivalent status, pay, benefits, and other employment terms. Your reinstatement may be conditioned on you producing a fitness-for-duty certification from your medical provider that specifically addresses your ability to perform the essential functions of your job. Exceptions to reinstatement include: (1) your current position has been eliminated due to reorganization or layoffs; (2) you fraudulently obtained the leave; (3) you give unequivocal notice that you do not intend to return to work; (4) you fail to return to work after the 12-week leave expires; or (5) any other reason permitted by law.

As a condition of reinstatement, you will be required to provide a Return to Work Certification from your treating health care provider.

**Benefits**
Your health and welfare benefits will be continued during an approved FMLA leave under your current active status terms and conditions provided you pay your portion of the premium payments and otherwise remain eligible for the benefit. Failure to make timely premium payments may result in cancellation of the benefit. You should contact Human Resources to coordinate your premium payments.

Certain states have adopted leave laws that may differ from this policy. Leave taken under the state law will run concurrently with leave taken under this policy to the extent provided. We will comply with the applicable state laws on this subject.

**Service Member Family and Medical Leave**
The FMLA also entitles eligible employees to take leave for a covered family member’s service in the Armed Forces. This policy supplements our FMLA policy and provides general notice of your rights to such leave. Except as mentioned below, your rights and obligations relating to Service Member FMLA are governed by our existing FMLA policy.

**Definitions**
Covered Active Duty means (A) in the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country; and (B) in the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty.

Covered Service Member means (A) a member of the Armed Forces (including a member of the National Guard and Reserves) who is undergoing medical treatment, recuperation, therapy, is in outpatient status, or is on the temporary disability retired list, for a serious injury or illness; or (B) a covered veteran who was honorably discharged or released from the Armed Forces (including a member of the National Guard and Reserves) at any time during the 5-year period preceding the first date the eligible employee takes FMLA leave to care for the covered veteran.
Serious Injury or Illness means (A) in the case of a member of the Armed Forces (including a member of the National Guard or Reserves), an injury or illness that was incurred by the member in line of duty on active duty in the Armed Forces (or existed before the beginning of the member’s active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that may render the member medically unfit to perform the duties of the member’s office, grade, rank, or rating; and (B) in the case of a veteran who was a member of the Armed Forces (including a member of the National Guard or Reserves), a qualifying injury or illness that was incurred by the member in line of duty on active duty in the Armed Forces (or existed before the beginning of the member’s active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that manifested itself before or after the member became a veteran.

Service Member Leave Entitlement
Service Member FMLA provides eligible employees unpaid leave for any one, or for a combination, of the following reasons:

- A “qualifying exigency” arising out of an employee’s spouse, son, daughter or parent being on covered active duty or called to active duty in the Armed Forces; and/or
- To care for a spouse, son, daughter, parent or next of kin who has incurred a serious illness or injury.

Duration of Service Member Leave

- **Exigency Leave:** An eligible employee may take up to 12 scheduled work weeks during a rolling 12-month period for qualifying exigency;
- **Military Caregiver Leave:** An eligible employee may take up to 26 scheduled work weeks of leave during a single 12-month period (beginning on the date the employee first takes leave under this section) for military caregiver leave. Military caregiver leave, when combined with other FMLA-qualifying leave, may not exceed 26 weeks in a single 12-month period.

State Service Member Family Leave Laws

A growing number of states provide leave for family members of service members. The entitlements for such leave differ from state to state. Our policy is to comply with such laws in any circumstances where they apply to our employees.

Unpaid Personal Leave

If you have completed twelve (12) months of service and have exhausted all your available paid time off and are not otherwise eligible for FMLA leave, you may be granted an unpaid personal leave for extraordinary personal reasons, such as an illness or injury or a civic obligation. Exceptions to these eligibility criteria will be considered to accommodate a disability. Requests will not be granted for personal gain (i.e., employment elsewhere) or for entertainment purposes (i.e., weddings, honeymoon). Requests will be reviewed on a case-by-case basis, and may be denied for such reasons as unsatisfactory job performance, unavailability of alternative coverage, or our operational needs. Personal leave will typically not be granted for more than 30 (thirty) days, however, extensions will be considered on a case-by-case basis.

Requests for unpaid personal leave due to medical reasons must be supported by a medical certification that describes the length of your anticipated leave. Any change in your condition or return to work date must be immediately reported to your supervisor or Human Resources. If unpaid leave is granted for medical reasons, your return to work may be conditioned on you providing a fitness-for-duty certification from your medical provider that specifically addresses your ability to perform the essential functions of your job and a substance abuse screening for safety sensitive positions.
You will not accrue paid time off or receive holiday pay while out on unpaid personal leave. Your paid leave accruals will resume upon your return from leave. Your group benefits may be impacted by an unpaid personal leave and, therefore, you should contact Human Resources for more details.

We will make every effort to restore you to the same or a comparable position at the end of an unpaid personal leave. However, restoration is not guaranteed. If you fail to return to work upon being released, we will treat this as a resignation.

**Breastfeeding Support Policy (Non-exempt Employees Only)**

We are committed to providing a supportive environment to enable breastfeeding employees to express their milk during work hours. If you wish to express milk during the work period, please advise your supervisor or Human Resources of your needs so that appropriate accommodations can be made.

In general, we will provide the following to breastfeeding employees as required by applicable law:

- **Milk expression breaks** – breastfeeding employees are allowed to breastfeed or express milk during work hours using their normal breaks, meal times or additional breaks as approved by their supervisors or Human Resources.
- **A place to express milk** – a private room (not a toilet stall or restroom) shall be available for employees to breastfeed or express milk. The room will be private and sanitary, located near a sink with running water, and have an electrical outlet. If employees prefer, they may also breastfeed or express milk in their own private offices, or in other comfortable locations agreed upon in consultation with the employee’s supervisor. Expressed milk can be stored in private coolers or in general company refrigerators (if clearly marked).
- **Staff support** – supervisors are responsible for working with pregnant and breastfeeding employees to help facilitate breastfeeding and compliance with this policy. It is expected that all employees will assist in providing a positive atmosphere of support for breastfeeding employees.

**Other Leaves**

We recognize you may be entitled to additional leaves of absence, including military leave and voting time off, in accordance with various local, state or federal laws, and we will comply with such laws. If you need time off for a reason mandated by law, you should speak with Human Resources before the time for leave and appropriate arrangements will be made.

**Insurance Premiums during Leave**

If you take leave pursuant to these policies, you must arrange to pay your portion of insurance premiums on a regular and timely basis by contacting Human Resources. Your insurance premiums will be automatically deducted from paychecks issued to you during your leave. If your leave is unpaid, your medical benefits may continue as long as your premium is paid in full in a timely fashion.

**Outside Employment or Work Activities**

If you are contemplating secondary employment or other work activities unrelated to your employment, you are required to submit a written request for approval to your supervisor. The written request should identify the secondary employment/work activity, the nature of the duties to be performed, and the anticipated hours you will be working. Requests may be denied if we determine such outside employment or work activity will adversely affect your regular duties, work effectiveness, or raises ethics concerns. Engaging in outside employment or other work activity while on any kind of leave of absence, paid or unpaid, could result in revocation of the leave of absence and/or termination of employment.
GROUP BENEFITS

In General
In addition to the “time away from work” benefits described in this Handbook, we provide a wide range of group benefits to eligible employees. Some of these programs are mandated by law, such as workers’ compensation insurance and unemployment insurance. Others, such as 401(k), Medical, Dental, Vision, Life, Short-Term and Long-Term Disability and Accidental Death and Dismemberment insurance benefits are offered by us on a discretionary basis. Eligibility for our group benefit plans vary by employee status (part-time, full-time, U.S. based, etc.) and by the specific benefit terms. In most cases, eligibility is also subject to completing the applicable waiting period. Please refer to the applicable Summary Plan Description (SPD) for specific information or contact Human Resources.

The benefits we offer may be changed, modified or terminated at our sole discretion as specified in the SPD. If there should be any conflict between the benefits provided and any statement contained in this Handbook, the actual terms of the SPD will control. This overview is not meant to be comprehensive and is qualified in its entirety by reference to the actual SPD.

Service Date and Breaks in Service
For purpose of determining your eligibility for company-provided benefits, service begins to run on your date of hire as a regular employee. Any time spent working for us through a temporary or leasing agency or on a contract basis is not recognized as service for us. If you experience a break in service of less than thirty (30) days, you will retain your original hire date. If you experience a break in service of thirty (30) or more days, you will be assigned your most recent rehire date.

Education Assistance, Referral Rewards, Other Programs and Benefits
We maintain other programs and benefits for you that are subject to updates and revisions on a regular basis. Details of these programs or benefits are either posted on the Empire Intranet http://www.empire-cat.com/ and/or can be obtained through Human Resources.
ON-THE-JOB EXPECTATIONS

Corrective Action - In General
We recognize our continuing responsibility to administer rules and regulations in a fair and consistent manner. Regulations for acceptable employee conduct are necessary for the protection of the rights and safety of our employees and the efficient and effective operation of our business.

Discharge for poor performance, policy or procedural violation, failure to meet our standards and/or misconduct will often, but not always, be preceded by a warning. The primary purpose of any corrective action or discipline is to rehabilitate the employee and eliminate the conduct that gave rise to the corrective action. Conduct that interferes with operations, or is offensive or harmful to other people, will not be tolerated. Conduct and performance which are contrary to the law, our standards and expectations, may result in corrective action up to and including termination of employment. We reserve the right to proceed directly to termination without resort to prior disciplinary steps when we deem such action appropriate based on the individual circumstances.

Code of Conduct - In General
The policies outlined in this Handbook are intended to provide examples of the type of conduct that may result in corrective action. Management will determine, in its sole discretion, whether an act requiring corrective action has occurred and what action is appropriate. The examples of acceptable and unacceptable behavior outlined in this Handbook are not all-inclusive. Should instances of unacceptable conduct arise which are not discussed in the Handbook, we may still initiate corrective action, up to and including termination of employment. We reserve the right to suspend an employee, with or without pay, as we investigate conduct that could justify the imposition of corrective action and, if confirmed, while we consider the appropriate corrective action to take.

Unacceptable Activities
The following list of Unacceptable Activities is not inclusive. However, if you engage in activities of this sort, you will be subject to disciplinary action, up to and including immediate termination from Empire:

1. Violation of security or safety rules or failure to observe safety rules or Empire’s safety practices; tampering with Empire equipment or safety equipment.
2. Negligent or careless action that endangers the life or safety of another person.
3. Violation of any Empire’s procedures or policies.
4. Drug and Alcohol Abuse: Employees are prohibited from the unlawful manufacture, distribution, possession or the use of a controlled substance in the workplace. In addition, the abuse of legal drugs (prescription or over the counter) is prohibited.
5. Possession of dangerous or illegal firearms, weapons or explosives on Empire property or while on duty, except as specifically authorized by State law.
6. Committing a crime while at work or when using Empire property.
7. Insubordination, willful or deliberate refusal to do assigned tasks.
8. Disclosure of proprietary or confidential company information.
9. Unlawful or improper conduct off company premises which adversely affects the employee’s ability to perform their job, their fellow employees, Empire’s property, reputation or goodwill in the community is prohibited.
10. Theft or unauthorized possession of Empire property, client property or the property of fellow employees; unauthorized removal of any Empire or client property, including documents, from the premises without prior permission from management.

11. Falsification of any documentation submitted to the company, including, but not limited to, benefits or paid time off documentation and employment application or other hiring documents.

12. Excessive absenteeism or tardiness; failure to report an absence or tardiness.

13. Taking more time than is allowed for breaks.

14. Failure to cooperate during an Empire workplace investigation.

15. Engaging in personal business activities during work hours.

16. Unsatisfactory work performance/conduct, including sleeping on the job.

17. Fighting, horseplay, threatening or harassing other employees.

18. Leaving work without authorization during scheduled work time.

19. Excessive or unauthorized use of telephone, cell phone, mail system, Internet, Intranet, or other Empire-owned and/or client-owned equipment.

20. Posting, removing or altering notices on any bulletin board on Empire property without the permission of Human Resources.

21. Damage to company property, client property or property of another employee.

22. Hindering or limiting production or other work.

23. Failure to immediately report damage to or an incident involving Empire equipment.

24. Failure to immediately report any personal injury.

25. Other unacceptable employee actions or inappropriate behavior.

**Attendance Expectations / Call-In Procedures**

You are expected to assume diligent responsibility for your attendance, which means reporting to work on time and staying through the end of your scheduled shift. Failure to adhere to these basic principles causes disruption to the workplace, impacts operational efficiency, and imposes a burden on your co-workers.

If you have reliability issues, including excessive unexcused absences, tardiness, and leaving early (i.e., an attendance occurrence), or a suspicious pattern of absences (i.e., weekends, day before or after holidays or scheduled sick or vacation time), you will be subject to disciplinary action, up to and including termination. Failure to work overtime work (scheduled or volunteered) is considered an attendance occurrence.

An “excused” absence will not result in disciplinary action. An excused absence is one taken in accordance with any of the leave policies described in this Handbook (i.e., FMLA, vacation/sick, bereavement, jury duty, etc.) or otherwise required by law.

Should you need time off from work, you must provide your supervisor with advance verbal or written (i.e., email) notice, including expected duration of time off, so that appropriate coverage can be arranged. Advance notice for a foreseeable absence means at least 2 weeks. Advance notice for an unforeseeable absence means at least 2 hours before the start of your scheduled shift (unless you are incapacitated in which case you should provide notice as soon as practical). If your supervisor is unavailable, you should notify Human Resources. If your absence lasts more than one day, you are expected to call in daily
unless other arrangements have been made. Failure to follow these call-in procedures may result in denial of the time off request and/or disciplinary action.

Complete failure to report an absence is a no-call/no-show and will be considered job abandonment.

Substance Abuse Policy

Prohibitions
You are required to report to work in an appropriate mental and physical condition so you can perform your job in a safe and effective manner. To that end, we prohibit the use, possession, distribution, transfer, manufacture, or sale of illegal drugs or alcohol or being under the influence of illegal drugs or alcohol while on our premises, engaging in company business, or operating a vehicle or equipment owned, leased, or authorized by us. We also prohibit the use of illegal drugs or alcohol during non-working time to the extent it impairs your ability to perform on the job and comply with our work rules. Exceptions to this policy may be recognized for the lawful use of marijuana in accordance with applicable law.

If you operate any company vehicle, forklift, or other machinery (Empire mobile property) or if you drive your personal vehicle for business use, you are required to immediately notify your supervisor and Human Resources if you are cited for driving under the influence of alcohol or other controlled substance. Pending resolution of the case, you will not be allowed to drive or operate Empire mobile property or your own vehicle on behalf of Empire. If you are found guilty of, or plead guilty to, the offense, you will not be allowed to drive on Empire’s behalf until you are reinstated by Safety. If your job requires that you drive on Empire’s behalf, you may be terminated or moved into a position that does not require driving at Empire’s discretion.

If you drive or operate Empire mobile property requiring a commercial driver’s license (CDL), you will be required to comply with the rules and regulations as outlined by the U.S. Department of Transportation (DOT) and our internal policies, you will also be subject to random and all other forms of testing required by the DOT, in addition to the policies outlined herein.

Exceptions
If you are under the influence of legally prescribed medication (including medical marijuana) that may impair your ability to perform your job in a safe and effective manner, you must advise your supervisor or Human Resources of that fact, and the precise type of medication involved, before reporting for work. We will determine, in consultation with your physician and/or our company Medical Review Officer (MRO) and considering the nature of your job duties, whether you can continue to safely perform your job functions. We will consider reasonable accommodations consistent with applicable law. Prescription drugs obtained without a prescription, or which are not used for prescribed purposes, are also prohibited under this policy. Further, you may not solicit prescription drugs from other employees, or provide your prescription drugs to other employees.

An applicant or employee Medical Marijuana Cardholder must provide valid documentation to demonstrate current qualifying patient status with the issuing government agency at or before the time of testing intake.

Medical Marijuana Cardholders are not allowed to work in “Safety-sensitive Jobs” as identified in the applicable job descriptions and will be restricted from working on specific client jobs when doing so would cause a loss of monetary or licensing benefits under Federal law or client regulations.
**Testing**
We reserve the right to make offers of employment contingent upon passing a substance abuse test. To the extent you have started to work before we obtain the results of a pre-employment test, and the test results are positive, the offer of employment will be withdrawn.

To the fullest extent permitted by applicable law, existing employees will be subject to substance abuse testing (including alcohol) at our expense under the following circumstances:

- Post-incident;
- Reasonable suspicion; and
- Random.

All active employees are subject to Empire’s random testing process. Failure to report to a substance abuse test in a timely manner, or adulteration of a sample provided in connection with a test, will be subject to disciplinary action up to and including termination.

Existing employees will be compensated for testing time. You may be transferred to another position or suspended with or without pay until the results of a substance abuse test are obtained. If the results are positive, we reserve the right to deduct any compensation paid to you during the suspension period from your pay check. Some employees may be required to test within specified periods as agreed to through a contractual obligation to perform work for and/or on the property of another company.

All substance abuse testing will be conducted by a provider of our choosing in accordance with applicable law. A Medical Review Officer (MRO) will establish the testing protocol and verify all testing results.

All substance abuse test results will be communicated to a designated company official to ensure privacy. Records relating to substance abuse testing will be kept confidential and maintained in a separate file. Test results will only be shared with members of management with a need to know or divulged pursuant to a court order or proceeding.

You have the right to obtain, upon written request, the results of your substance abuse test and the opportunity to explain in a confidential setting a positive test result.

**Compliance**
A “violation” of this policy includes a positive test result, refusal to submit to a substance abuse test, failure to report to a substance abuse test in a timely manner, or adulteration of a sample provided in connection with a test.

To ensure compliance with this policy, we reserve the right to inspect you, as well as any articles and property in your possession. We also reserve the right to inspect lockers, desks, boxes, company vehicles, personal vehicles, packages, lunchboxes, containers, and other objects brought on to our property that may conceal alcohol, illegal drugs, and/or other inappropriate materials. An employee who violates this policy will be subject to disciplinary action up to and including termination.

**Employee Assistance**
If you have a drug or alcohol dependency problem that has not resulted in, and is not the immediate subject of, disciplinary action, or testing under this policy, you may request approval to take unpaid time off to participate in a rehabilitation or treatment program. Leave may be granted on a discretionary basis if you agree to abstain from use of the problem substance; abide by all our policies, rules, and prohibitions relating to conduct in the workplace; agree to submit to random testing upon your return to
work for a specified period of time; and if granting the leave will not cause us any undue hardship. You must test negative before being allowed to return to work. You may use your sick leave and/or vacation for work time missed as a result of a verified positive test.

Voluntary participation in a treatment program will not result in disciplinary action, in and of itself. However, substance abuse or dependency will not excuse unacceptable performance or violations of our policy that would otherwise result in disciplinary action or termination.

Conflicts of Interest
You have a responsibility to avoid situations and relationships that involve actual or potential conflicts of interest. Generally, a conflict of interest arises whenever your personal interests diverge from your responsibilities to us. Put another way, a conflict of interest is created whenever an activity, association or relationship of yours might impair your ability to act in our best interest.

Examples of situations that are or could be perceived as conflicts of interest and should be avoided include:

- Conducting our business with a firm that is owned, partially owned, or controlled by you or your relatives or friends.
- Owning or having a financial interest in a company client, supplier, or anyone who does business with the company.
- Placing yourself in a position where you or a member of your immediate family is in competition with us.
- Appropriating or diverting to yourself or others an actual or potential business opportunity or idea which belongs to us or in which we may have an interest.
- Working as an employee or a consultant for a client, vendor or supplier of us, or doing any work for a third party that may adversely affect your performance, judgment, or ability to devote the necessary time and attention to your duties.
- Using our property, materials, supplies, funds or other resources for personal purposes.
- Offering to give, giving, or accepting a gift, cash or other item of value — including personal service — from an existing or prospective client, supplier, contractor, subcontractor or organization doing or hoping to do business with us. The only exceptions to this rule are infrequent gifts of nominal value or infrequent entertainment (such as a restaurant meal) in conjunction with business discussions. Accepting a gift or entertainment of any value is prohibited if offered in exchange for a business commitment. Gifts of cash are absolutely prohibited. You must refuse or return any improper gratuity.

It is incumbent upon you to avoid situations where your loyalty to us could be compromised. If you believe you are involved in a potential conflict of interest situation, you have a responsibility to discuss it with your supervisor or Human Resources before engaging in the activity.

Personal Relationships in the Workplace
Consenting “romantic” relationships or familial relationships (referred to collectively as “personal relationships”) between a supervisor and subordinate employee may at some point lead to actual or perceived favoritism, integrity concerns, business complications, and low employee morale. Accordingly, we strongly discourage the formation of personal relationships, as well as any conduct that is designed or may reasonably be expected to lead to the formation of any such relationships. A “supervisor” is considered anyone in the subordinate employee’s reporting chain or who exercises
influence over the subordinate employee's employment. A “familial” relationship is considered any individuals related by blood, marriage or similar status.

If a personal relationship between a supervisor and subordinate does develop, it is the responsibility and mandatory obligation of the supervisor to promptly disclose the existence of the relationship to his/her supervisor or Human Resources. We shall inform others of the relationship on a need-to-know basis only.

Upon being informed or learning of the existence of a supervisor-subordinate personal relationship, we will manage the situation on a case-by-case basis in a way that minimizes the effect on employee morale and productivity. Under no circumstances will the supervisor be permitted to participate in activities or decisions that may reward or disadvantage the subordinate employee (activities include, but are not limited to, hiring, performance evaluations, promotions, compensation, work assignments and discipline). If the conflict cannot be resolved, it may be necessary to reassign or terminate one or both of the involved employees.

Further, under no circumstances will someone who has a personal relationship with an employee be hired to fill a position that will create a supervisor or subordinate relationship with that employee. However, such individuals may be considered for employment in other positions on an equal basis with all other candidates and will be hired if they are determined to be the best qualified candidate for the job and we determine their hiring will not cause a conflict in the workplace. The company President/CEO or Executive Vice President must approve in advance any offers to applicants who have a personal relationship with an existing employee employed at a Director level or higher. Preferential treatment will not be afforded to anyone in the hiring process based on his/her personal relationship with an existing employee. Once hired, we reserve the right to reassign or terminate an employee if we determine a personal relationship is creating a conflict in the workplace.

**Personal Appearance**

Our clients and business partners judge us by the attention we show to personal appearance and attire. Accordingly, you are expected to maintain a clean, neat and well-groomed appearance and exercise good personal hygiene during working hours or when representing Empire Southwest. All clothing must be neat, clean, and in good repair. Additionally, you must dress in accordance with legal and client-specific personal protective equipment (PPE) and clothing requirements. More detail can be found in our Personal Protective Equipment Policy (ES-AL-1036) located on the intranet under policies and procedures.

Details of your particular dress code expectations, including any uniform requirements, will be provided to you by your supervisor. As a general rule, all employees, regardless of their position, are required to dress in a manner that would be considered acceptable in a professional work environment i.e., pants or slacks, including all cotton, wool, and blends, blue jeans that are neat, clean, pressed, and in good condition. Acceptable shirts include all collared shirts, button-down shirts, polo shirts, and Empire or Caterpillar logo shirts. In addition, acceptable female employee clothing can include a dress, skirt/blouse combination, shirt with slacks, or pantsuits. Skirts or dresses must be of an appropriate length for business attire.

A reasonable standard of dress rules out revealing or skin-tight shirts, tight or short pants, spaghetti strap tank tops, halter or tube tops, printed T-shirts, torn clothing, see-through tops, bare midriffs, “running” wear, sweatpants or related athletic wear, excessive visible tattoos, or any extreme in dress, accessory, hair, adornment or perfume. Earrings, bracelets, and other jewelry must be professional and tasteful at all times. Wearing nose, eyebrow, tongue jewelry, or any other facial jewelry is prohibited.
Footwear must be professional in appearance and with safety in mind. Closed-toe footwear with protection may be a requirement in some work areas. Exceptions can be authorized by management to accommodate employees who have legitimate medical or religious needs to the extent such accommodation does not cause an undue hardship to the company.

If your appearance is deemed unacceptable, you will not be permitted to work until you conform to our personal appearance standards. Questions regarding our dress code expectations should be directed to your supervisor or Human Resources.

**Workplace Solicitation/Distribution**
We want to protect you from annoying requests for contributions, solicitations, bothersome advertising, and literature from outside individuals and organizations. Accordingly, you are not permitted to solicit your fellow employees nor distribute literature to them when either you or your co-worker is on working time. Distribution of literature or printed material by you is also prohibited at any time in working areas. Work time means those hours that you are on duty, excluding breaks, meal times, and other specifically designated rest periods during the workday. Work area includes all company property, except rest rooms, break areas, cafeteria, parking lots, and other areas where no productive work is performed at any time.

Non-employees are prohibited from soliciting our employees or distributing literature at any time on our premises (including parking lots) or through our internal communication systems. Any such activity should be immediately reported to your supervisor or Human Resources.

Company bulletin boards are reserved for official company communications only.

**Local Work Rules**
You may be subject to additional rules or expectations mandated by your state and/or local management team. These rules and expectations carry the same weight, significance and consequences as those included in this Handbook. Violations of these local rules will subject you to corrective action.
PROTECTING OUR ASSETS AND INFORMATION

Internal Communication and Information Access

Our computer system, software, hardware (including, but not limited to, servers, laptops, desktops, external hard drives, etc.), equipment, files, code, data, electronic mail (e-mail), text messaging, cloud-based storage or delivery systems, telephone, voice mail, fax machines, copiers, printers, hand-held devices, Internet access and any other company-owned or provided devices and technologies (collectively “internal communication systems”) belong exclusively to us. The purpose of these internal communication systems is to facilitate your ability to efficiently and productively perform your job. Accordingly, our internal communication systems should be used primarily for matters of concern to our operations, and not for communications of a personal or private nature.

Under no circumstances are you permitted to use our internal communication systems to engage in the following activities:

- Making personal long distance telephone calls;
- Sending chain letters or participating in any way in the creation or transmission of unsolicited commercial e-mail ("spam") during working time that is unrelated to legitimate company purposes;
- Accessing networks, servers, drives, folders, or files to which you have not been granted access or authorization from someone with the right to make such a grant;
- Making unauthorized copies of company files or data or disseminating company files and data to individuals not authorized to receive (except for files or data containing information related to the terms and conditions of your employment);
- Destroying, deleting, erasing, or concealing company files or data, or otherwise making such files or data unavailable or inaccessible;
- Misrepresenting oneself or the company;
- Holding oneself out as speaking on behalf of the company without proper authorization;
- Violating any federal, state, or local laws regulations or ordinances;
- Deliberately propagating any virus, worm, trap-door program code, or other code or file designed to disrupt, disable, impair, alter, congest or otherwise harm either our Internal Communication Systems or those of any other individual or entity;
- Using abusive, profane, threatening, defamatory, racist, sexist, discriminatory or other language directed at someone based on his or her legally protected status, in either public or private messages. This type of communication made on a social networking site that is directed at a co-worker, client, or anyone who does business with us is also unacceptable, even if sent from personal computer and while off duty;
- Sending, receiving, or accessing pornographic materials;
- Becoming involved in partisan politics;
- Maintaining, organizing, or participating in non-work-related Web logs ("blogs"), Web journals, "chat rooms", or private/personal/instant messaging;
- Failing to protect the confidentiality of our business information or the personally identifiable information of our employees or third parties (such as social security numbers) in accordance with our confidentiality and privacy protection procedures described in this Handbook;
- Using recreational games;
- Defeating or attempting to defeat security restrictions on our Internal Communication Systems; and/or
- Utilizing our internal communication systems for commercial ventures, religious or political causes, outside organizations, or other non-job-related solicitations (except as it relates to the terms and conditions of your employment).
Nothing in the above prohibitions is intended to limit or impair activity or conduct that relates to the terms and conditions of your employment.

You are responsible for taking steps to ensure the security of our internal communication systems. Passwords will be periodically changed (at least every 6 months) and kept confidential, but must be shared with your supervisor or a designated company-representative so we can access your business accounts when you are absent or leave our employment. All activity performed under your user ID and password is your responsibility and is subject to access, review and monitoring by management. Using an unauthorized computer account or sending an electronic communication anonymously or using someone else’s identity is prohibited.

You should lock your devices when you leave your work area so others cannot access them or view information on the screen. Further, you must not retrieve or read e-mail, text messages, or voice mail messages that are not directly transmitted to you. You are prohibited from accessing any equipment, files, code, data, electronic mail (e-mail), text messaging, cloud-based service, telephone, voice mail, fax machines, copiers, printers, hand-held devices, our intranet or the internet under another user’s login information.

Any and all installed software, computer programs, computer programing, computer codes and/or applications (collectively “software”) used to direct the operation and/or functions of our internal communication systems are the exclusive property of and owned, or licensed, in full by us. All software must be used in accordance with its license agreement, manufacturer specifications and related copyright laws. We maintain electronic security systems and any attempts to bypass this system are prohibited. You are not permitted at any time to de-install, remove, delete, alter, change, adjust, revise, rework, amend, modify, reverse engineer, re-engineer, in whole or in part, such software at any time without the prior written approval of management. You are also not permitted at any time to add, upload and/or install non-business related software to, or copy, download, or otherwise transfer files, software, or other information from our internal communication systems that has not been pre-approved in writing by your supervisor or Human Resources. Additionally, you are not permitted at any time to transfer, assign, transmit, release, disclose, trade, gift, send and/or convey software installed on our internal communication systems to any person, entity, corporation and/or business without written permission from management.

You should not connect personal computers or data storage devices (such as floppy disks, CDs/DVDs, external hard drives, flash drives, "smart" phones, iPads/iPads/iTouch or similar devices, mobile computing devices, or other data storage or delivery systems) to our internal communication systems unless expressly permitted to do so in writing by your supervisor or Human Resources. If you bring a personal computing device, data storage device, or image-recording device onto company premises, you give us permission to inspect the personal device at any time and to analyze any files, other data, or data storage devices or media that may be within or connectable to the personal computer or image-recording device in question.

Occasional, limited, and appropriate personal use of our internal communication systems or your own electronic devices (i.e., pager, cell phone, smart phone devices) is permitted at work if the use does not 1) interfere with your work performance; 2) interfere with any other user’s work performance; 3) have undue impact on the operation of our internal communication systems; or 4) otherwise violate any other provision of this policy or any other policy, guideline, or standard of conduct. However, this privilege does not create any rights of ownership or privacy in your personal data; files, code and information viewed or transmitted through our internal communication systems. Also, you must reimburse us for any
and all costs that would not otherwise have been incurred by us resulting from your personal use of our internal communication systems.

All data, information, code and files on our internal communication systems are subject to monitoring, review, audit, interception, deletion, search and disclosure by us at any time, without advance notice to you. By accessing or utilizing our internal communications systems (either at the office or remotely), you waive any expectation of privacy or privilege relating to anything you create, store, send, download, upload, or receive on our internal communication systems, whether of a personal or business nature, even if you have been issued a private password or log in. Our right to monitor and review includes, but is not limited to, e-mail communications of a personal nature that are sent or received through a company e-mail account or password-protected personal email or web-based accounts, such as Gmail, Yahoo, Hotmail, etc, through which personal communications are sent or received using our internal communication systems. You also waive any right to privacy and consent to the disclosure of stored information transmitted through company-provided, third-party communications services. The information you create using our internal communications systems may be stored on a company hard drive and reviewed even after you have deleted that information from your computer or other electronic device.

**Social Media Policy**

We understand that social media can be a fun and rewarding way to share your life and opinions with family, friends and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use of social media.

**Guidelines**

In the rapidly expanding world of electronic communication, social media can mean many things. Social media includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else’s web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with the company, as well as any other form of electronic communication.

Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of your co-workers or otherwise adversely affects clients or people who work on behalf of us or our legitimate business interests may result in disciplinary action up to and including termination.

**Know and follow the rules**

Carefully read the policies in this Handbook, including, but not limited to our, Conflict of Interest policy, Confidentiality policy, our EEO policy and Policy Prohibiting Harassment and Retaliation, and ensure your postings are consistent with these policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated.

**Be respectful**

Always be fair and courteous to co-workers, clients, or people who do business with us or work on our behalf. Also, keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers or by contacting your supervisor than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that disparage clients, co-workers, or our business associates, or that might constitute harassment or
bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone’s reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or company policy.

**Be honest and accurate**
*Make sure you are always honest* and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false about the company, its co-workers, clients, or people who do business with us or our competitors.

**Post only appropriate and respectful content**
Maintain the confidentiality of our trade secrets and private or confidential information. Trades secrets may include information regarding the development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures or other internal business-related confidential communications.

Respect financial disclosure laws. It is illegal to communicate or give a “tip” on inside information to others so that they may buy or sell stocks or securities.

Do not create a link from your blog, website or other social networking site to our website without identifying yourself as our employee.

Express only your personal opinions. Never represent yourself as a spokesperson for the company. If the company is the subject of the content you are creating, be clear and open about the fact that you are an employee and make it clear that your views do not represent those of the company, your co-workers, clients, or people who do business with us. If you publish a blog or post online related to the work you do or subjects associated with us, make it clear that you are not speaking on behalf of the company. It is best to include a disclaimer such as “The postings on this site are my own and do not necessarily reflect the views of my employer.”

**Using social media at work**
Refrain from using social media while on work time or on equipment we provide, unless it is work-related as authorized by your supervisor and otherwise consistent with our internal communication systems policy. Do not use our email addresses to register on social networks, blogs or other online tools utilized for personal use.

**Retaliation is prohibited**
We prohibit taking negative action against any associate for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against a co-worker for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

**Media contacts**
You should not speak to the media on the company’s behalf. Media inquiries should be directed to your supervisor.

**Upon Separation**
When your employment ends, for any reason, you agree to (i) remove any representation of active employment with the company on any and all social or business networking websites, including, but not
limited to Facebook and LinkedIn, to the extent that such representations are controlled by you; and (ii) notify any applicable state licensing authority(ies) and professional organizations of the fact that you are no longer employed by us.

Confidential Information
The protection of our confidential business information and trade secrets is vital to our interests and success. Confidential information includes, but is not limited to, the following non-public information examples: business plans; product designs, drawings and formulas; test and development data; information concerning clients or prospective clients, vendors, suppliers, subcontractors or distributors; accounting and financial information; company software; production and/or printing procedures; information or product knowledge on any goods or services sold or marketed; marketing/sales strategies; pending projects and proposals; pricing data; contract terms; proprietary production processes; client/third party information that we have a duty to maintain as confidential, including, but not limited to, social security numbers; employee medical and other sensitive personnel information; and other non-public business-related information (except information that relates to the terms and conditions of your employment), which, if made available to our competitors or the public, would be advantageous to such competitors and detrimental to us and/or expose us to potential legal claims.

You are required to maintain the confidentiality of our confidential information, both during your employment and after your employment ends, regardless of the reason. Accordingly, under no circumstances shall you, directly or indirectly, utilize our confidential information or disclose such confidential information to any unauthorized person or entity without explicit written authorization from your supervisor. You are permitted to disclose confidential information to a governmental official or to an attorney for the sole purpose of reporting or investigating a suspected legal violation. We will pursue all legal remedies to protect our confidential information. If you are uncertain whether information is confidential, you should contact your supervisor for clarification before disclosing the information.

You may be required to sign a more detailed written nondisclosure and restrictive covenant agreement as a condition of employment. You will be expected to comply with the obligations contained in that separate agreement.

Ownership of Works
All ideas, discoveries, inventions, improvements, artworks, software, computer programs, apps, compositions, conceptions, photographs, video and materials prepared or conceived by you during your employment with us (both during and after regular business hours), and any images taken of you in connection with your employment, and which is usable in or relating to our business (“Works”) belong exclusively to us. We may copyright the Works in the name of the company or any other name we choose. We may also use, publish, broadcast, reproduce and distribute the Works and any Works derived therefrom, in whole or in part and without restrictions as to changes or transformations, in any printed materials or electronic medium of any sort we deem appropriate without your approval. You may not use any Works other than in connection with performing your duties for us and may not transfer or assign any Works without the written consent of the company’s President/CEO or Executive Vice President. You must execute all documents, and otherwise provide proper assistance, at our request and expense, during and after your employment with us, to enable us to obtain patents, copyrights and other legal protection for the Works in any country.

Recording Devices / Surveillance and Monitoring
Based on legitimate business and/or safety needs, we reserve the right to monitor our work site through video and audio surveillance without advance notice to you. Therefore, you should have no expectation of privacy within our workplace, our parking area or while using a company telephone, fax machine,
computer or any other electronic device. Your acceptance and continued employment by the company evidences your consent to our video and audio monitoring and surveillance of the workplace.

While the company is authorized to conduct monitoring and surveillance in the workplace without notice to you, you are not permitted to record (by audio or video) or photograph a client, vendor, supplier, or other third-party without the advance written permission of that person. You also are not permitted to record (by audio or video) or photograph a co-worker during work time without the written permission of that person. This prohibition does not limit our right to monitor or intercept your e-mail, voicemail or other forms of business communication systems as described in this Handbook.

**Company Equipment and Other Tangible Property**

You are responsible for the security of all company-owned equipment entrusted to your use. This includes vehicles, laptops, cell phones, etc. Laptops and cell phones are particularly vulnerable to theft and should not be left unsecured in a vehicle, especially overnight. You are expected to exercise reasonable care and follow safety standards and guidelines in the use of company-owned equipment, supplies and property, including Empire mobile property (collectively “company property”) and to use such property only for authorized business purposes. Loss, damage or theft of company property should be reported at once with an incident report completed by the end of the business day. Any employee causing damage to, or with, any Empire mobile property must immediately complete a substance screening at the closest approved medical facility.

Upon termination of your employment, or at any other time upon the request of management, you are expected to immediately return all company property (including any copies) in your possession, custody or control, whether in electronic or hard copy form. The value of any unreturned or damaged property may be deducted from your wages to the fullest extent permitted by law. We may also pursue any outstanding balance owed through legal proceedings.
YOUR SAFETY

Workplace Violence Prevention
We are concerned about the increased violence in society, which has filtered into many workplaces throughout the United States. Therefore, we will not condone any acts or threats of violence by or against employees, clients, or visitors that occur on our premises or while an individual is engaged in company business. Workplace violence includes, but is not limited to, any acts or threats of violence, inappropriate aggression, physical or verbal abuse or intimidation and destruction of company property. To minimize the potential for a workplace violence situation, you are expressly prohibited from carrying or storing firearms or other weapons on company property or while engaged in company business, regardless of whether you are licensed to carry the weapon. In Arizona, an exception to this prohibition includes the lawful storage or transporting of a firearm that is both (1) in a locked and privately owned motor vehicle or in a locked compartment on a privately owned motorcycle; and (2) not visible from the outside of the motor vehicle or motorcycle. Storage of firearms in a company-owned vehicle is not permitted.

We also encourage you to bring any work-related disputes or differences to the attention of your supervisor or Human Resources before the situation escalates into potential violence. We are eager to assist in the resolution of workplace disputes, and we will not discipline you for raising concerns.

You have a “duty to report” to management or security personnel any suspicious workplace activity, situation, or incident about which you become aware. Do not engage in either physical or verbal confrontation with a potentially violent individual. If you encounter an individual who is threatening immediate harm, contact an emergency agency (such as 911) or the local law enforcement authorities.

Legal pepper sprays, mace or other legal commercially sold personal protection items are not covered by this policy. However, you must exercise extreme caution if you are in possession of such a device. These items must be kept in your coat, purse, etc., while in the office.

To ensure compliance with this policy, we reserve the right to inspect you, as well as any articles and property in your possession. We also reserve the right to inspect lockers, desks, boxes, company vehicles, personal vehicles, packages, lunchboxes, containers, and other objects brought on to our property.

On-the-Job Injuries
If you suffer a work-related injury or illness, you must report the incident immediately to your supervisor and complete an incident report by the end of the shift or as soon as reasonably practical under the circumstances, in accordance with Empire’s Work Related Injury policy which can be found on Empire’s intranet http://www.empire-cat.com/ under Safety Policies.

If necessary, you should call the 24-hour injury triage service and seek medical attention. A substance abuse screening must be completed for any injury requiring off-site care or treatment and for all property-related incidents, regardless of the damage done or dollar loss. You will be required to provide a fitness-for-duty release from your medical provider that specifically addresses your ability to perform the essential functions of your job as a condition of your return to work and after each medical visit. You may be eligible for workers’ compensation benefits consistent with the workers’ compensation laws of the state where you reside. You will not be penalized for reporting a work-related injury or illness or filing a workers’ compensation claim. If you have medical restrictions resulting from a work-related injury,
you may also be eligible for light duty work (to the extent it is available and you can perform the assignment within your medical restrictions).

**Smoking**

Smoking, use of electronic smoking devices, or chewing tobacco are prohibited in company vehicles or equipment and in the workplace, except in designated areas. You may visit these areas only during your authorized meal and break periods. Cigarette butts should be placed in the proper receptacle, and not brought in the work premises or left on window sills, thrown on the ground, or placed in other inappropriate places.

**Safe Driving Policy**

Safety is our top priority while driving in connection with our business. Therefore, you must wear safety belts, follow all posted signs and speed limits, drive defensively, refrain from eating, and take sufficient breaks when driving for extended periods of time. We also encourage you to use cellular telephones responsibly when in an automobile. If a cell phone must be used while operating a non-commercial, company vehicle, all state and local laws regarding the use of cell phones must be adhered to. You must not attempt to use any data transmission (i.e., texting, email, tweet, etc.) device while driving any Empire mobile property. If you are involved in an incident while driving or operating Empire mobile property or your personal vehicle on company business, or if any Empire mobile property appears to be damaged, defective, or in need of repair, you must immediately report any such incident to your supervisor, and complete an incident report by the end of the work day. A substance abuse screening must also be completed as soon as possible for any incident in which you were in the driver’s seat or actively involved. You are not considered actively involved when damage or theft occurs when the vehicle is parked. However, if you are determined to be at fault for the accident, you may be responsible for the repair costs up to the applicable insurance deductible.

You will be required to maintain a valid driver’s license and auto insurance whether you drive or operate Empire mobile property or your personal vehicle for company business. As a condition of you operating Empire mobile property or your personal vehicle for company business, you also authorize an Empire designated representative to review your motor vehicle record at any time during employment and/or submit to random substance abuse testing.

Employees who operate Empire mobile property or drive a personal vehicle for company business should notify their supervisor in writing any time they receive a citation while operating their company or personal vehicles, as this could have an impact on the employee’s driving status and insurability for Empire. A copy of the citation should be sent to the Safety department. Repeated or serious infractions on an employee’s driving record could result in a loss of driving privileges or disciplinary action, including termination.

Any employee who operates Empire mobile property or drives a personal vehicle on company business must adhere to all Empire driving-related policies. Employees who are required to have a CDL will be subject to additional rules and regulations issued by the DOT. Any phone use while operating a commercial vehicle MUST be done using a hands-free device. The hands-free device must allow you to make or receive a call by touching only a single button. Additional information regarding CDL driving policies can be found on Empire’s intranet [http://www.empire-cat.com/](http://www.empire-cat.com/) under Safety Policies. Improper, careless, negligent, destructive, unsafe use or operation of Empire mobile property or a personal vehicle for company business, as well as excessive avoidable traffic and parking violations will subject you to disciplinary action, up to and including termination, and/or suspension or revocation of your company driving privileges.
**General Safety**
You must adhere to all company and client safety policies and procedures. A more comprehensive collection of these policies is available on the company intranet. It is ALWAYS your direct responsibility to understand all safety policies and to operate safely. If at any time you are unsure of the proper procedures while doing a task, you must stop and seek clarification from your supervisor.

In accordance with Empire’s Correcting Unsafe Conditions policy, safe work practices are your responsibility, regardless of your status or seniority. If you observe an unsafe work practice, you have the duty and authority to report the situation and stop the job, if necessary, until the practice is corrected. If a job or task cannot be done safely, don't do it.
IF YOU LEAVE

Resignations
If you decide to leave for any reason, we request that you provide us with a minimum of two (2) weeks advance written notice; however, we reserve the right to accept your resignation upon notice, or any time before the end of the two (2)-week notice period. In that case, you will be paid through your last day of active employment. If you fail to provide sufficient notice of resignation, you may be deemed ineligible for re-hire. During your notice period, you may not use unused vacation time and will not accrue additional vacation time.

Exit Procedures
At the time of separation, or earlier upon our request, you must immediately return any of our credit cards, keys, phones, laptop computers, Empire mobile property, uniforms, external memory devices, company and client confidential information and data, and any other company property, supplies, equipment or material in your possession. As of the date of your separation, you must (i) remove any representation of active employment with the company on any and all social or business networking websites, including, but not limited to Facebook and LinkedIn, to the extent that such representations are controlled by you; and (ii) notify any applicable state licensing authority(ies) and professional organizations of the fact that you are no longer employed by the company.

A final pay check will be issued to you in accordance with state law. Deductions will be taken from your final paycheck for debts owed to us as permitted by applicable law. Your supervisor or Human Resources may request that additional exit procedures be followed, such as an exit interview.

You should consult with Human Resources regarding possible conversion of group insurance and to address any outstanding payroll and benefits issues. Even after you leave, you are expected to maintain the confidentiality of company confidential information (as described in the Confidential Information Policy) and comply with any agreements regarding non-disclosure, non-solicitation or non-competition that you may have signed during your employment.
DISCLAIMER AND ACKNOWLEDGEMENT OF RECEIPT

I understand and agree that it is my responsibility to read and familiarize myself with this Handbook. I understand that this Handbook supersedes all prior Handbooks, policies, brochures or directives relating to the items addressed herein. I recognize the company is free to change, correct, modify or revoke the Handbook or any of its terms (except employment at-will) and any other policy documents issued to you or made available to you on our intranet site during your employment, at any time, with or without notice.

I understand that statements contained in this Handbook constitute guidelines only, and are in no way to be interpreted as an express or implied contract between me and the company.

I understand that my employment is at-will, which means either I have or the company has the right to end the employment relationship at any time, for any lawful reason or no reason. I understand that the at-will nature of my employment cannot be modified except by a written instrument signed by the company’s President/CEO or Executive Vice President.

By signing below, I acknowledge that I have received and read a copy of the Handbook and that I understand my rights and responsibilities as an employee. I understand that my signed acceptance and return of this acknowledgement form is a condition of my employment or continued employment.

Finally, if I have an outstanding debt to the company when my employment ends, I authorize the company to offset such debt from my final paycheck.

Employee Name (print): ________________________________

Signature: ________________________________________

Date: ____________________________________________