



## **Employee Handbook**

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## **Introduction**

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## **Introductory Statement**

Because our success depends upon the dedication of our employees, we are highly selective in choosing new members of our team. We look to you and the other employees to contribute to the success of the Company.

This Employee Handbook explains the terms and conditions of employment of all full-time and part-time employees of III. Written employment contracts between III and some individuals may supersede some of the provisions of this handbook.

This handbook summarizes the policies and practices in effect at the time of publication. This handbook supersedes all previously issued handbooks and any policy or memorandum that is inconsistent with the policies described here. If you have any questions, you should consult with your manager or Human Resources of III (“Human Resources”).

Please note that III has employees and offices in many different states throughout the United States. This handbook refers to federal law and III will comply with laws that are specific to states where we have offices. If there is a discrepancy between this Employee Handbook and applicable law, then the law will govern. Reference to a law herein includes all amendments and modifications to such law and all rules and regulations issued thereunder. Nothing in this employee handbook should be construed to limit any employee’s rights to engage in any legally protected concerted activity under Section 7 of the National Labor Relations Act.

## **Disclaimer**

This handbook is not a contract of employment and none of the policies or benefits in this handbook is intended, by reason of its publication, to confer any contractual or legally enforceable rights or privileges upon any employee.

This handbook’s contents are presented as a matter of information only. While III believes in the policies described herein, nothing contained in this handbook is intended to create any contractual obligation or legally enforceable obligations on the part of III, with the exception of III’s policy of at-will employment, as described further below. The handbook’s contents are subject to modification, amendment, or rescission at any time, with or without notice, at III’s sole discretion.

Nothing in this Employee Handbook or in any other personnel document, including benefit plan descriptions, creates or is intended to create a promise or representation of continued employment for any employee.

III personnel are employed on an at-will basis. Employment at-will may be terminated with or without cause and with or without advance notice at any time by the employee or the Company. Nothing in this handbook shall limit any right to terminate at-will employment. No manager, supervisor or employee of the Company has any authority to enter into an agreement for employment for any specified period of time or to make an agreement for employment on other than at-will terms. Only the General Manager of Human Resources has the authority to make any such agreement, which is binding only if it is in writing and signed by the General Manager of Human Resources. Every oral statement regarding III’s “at-will” policy is expressly disavowed and no such statement should be relied upon by a prospective or current employee.

## Equal Employment Opportunity

III is an equal opportunity employer and makes all employment decisions on the basis of individual merit and personal qualifications. Company policy prohibits unlawful discrimination based on race, color, religion, sex (including sexual harassment), sexual orientation or preference, marital status, national origin, physical or mental disability, genetic information, covered-veteran status, age, pregnancy, childbirth, parenthood or related conditions, or any other basis protected by applicable federal, state or local law (collectively, “Protected Categories”). All such discrimination is **unlawful**. This policy is an integral part of III’s generally applicable personnel practices and applies to all terms and conditions of the employment relationship, including the recruitment or hiring of applicants and the training, promotion, compensation and termination of employees.

The Company is committed to compliance with all applicable laws providing equal employment opportunities. This commitment applies to **all** persons involved in Company operations and prohibits unlawful discrimination by any employee of the Company, including managers and coworkers.

To comply with applicable laws ensuring equal employment opportunities to qualified individuals with a disability, the Company will provide reasonable accommodations to qualified individuals with a known physical or mental disability if such accommodation would not impose an undue hardship on the Company and would enable the individual to apply for, or perform the essential functions of, his or her position. An employee or applicant who is in need of such an accommodation should contact Human Resources.

Any employee who feels that he or she has witnessed or is being subjected to discrimination of any kind should immediately report the situation, without fear of reprisal. You are strongly encouraged to submit a written complaint to your manager or the individual with day-to-day personnel responsibilities. Ideally, each complaint should be specific and should include the names of the individuals involved and the names of any other witnesses. If you need assistance with making a complaint, or if you prefer to make a complaint in person, you should contact Human Resources or III’s Compliance Department. Ultimately, all issues of a compliance nature will be reported to the Compliance Department. If you do not feel comfortable speaking to your manager, Human Resources or the Compliance Department, please note that the Company has also established a Helpline at 1-888-301-1422 that can be called at anytime from anywhere in the United States and Canada to report apparent ethical or other misconduct. If the employee wishes, calls to the Helpline may be made anonymously. Anonymous calls will receive a tracking number so that the employee may still check back to receive a response or provide more information.

Each allegation of discrimination will be fully, fairly and promptly investigated. Every employee is required to participate in an investigation, if requested. The Company understands that allegations of discrimination can be extremely sensitive and will, to the extent possible, treat all complaints and information obtained during the investigation in a confidential manner. Certain circumstances may require III to disclose such information, however, in order to conduct a full and fair investigation or for other legitimate legal or business reasons.

Upon the completion of an investigation, all appropriate remedial actions, if any, will be taken. III will apprise the complaining employee of the results of its investigation to the extent possible consistent with employee privacy and confidentiality considerations.

Any employee who reports discrimination or who is involved in an investigation of discrimination allegations in good faith will not be subject to reprisal or retaliation. Retaliation is a serious violation of this policy and any concern about retaliation should be reported immediately. The reporting and investigation of an allegation of retaliation will follow the procedures set forth in this policy, and any

individual found to have engaged in retaliation will be subject to appropriate disciplinary action, up to and including termination.

## **Disability Accommodations**

III is committed to complying with all applicable provisions of the Americans with Disabilities Act (“ADA”), the Americans with Disabilities Act Amendments Act (“ADAAA”) and applicable state and local law counterparts. III does not discriminate against any qualified applicant or employee with regard to any term or condition of employment because of such individual's disability or perceived disability. Consistent with this policy of nondiscrimination, III will provide reasonable accommodation to a qualified individual with a disability, as defined by the ADA, the ADAAA or applicable state or local law, who has made III aware of his or her disability, provided that such accommodation does not constitute an undue hardship on III.

Any employee with a disability who believes he or she needs a reasonable accommodation to perform the essential functions of his or her job should contact Human Resources. III encourages individuals with disabilities to come forward and request reasonable accommodation. Generally, it is the responsibility of every employee and every applicant for employment, promotion or transfer with a physical or mental disability to make his or her need (if any) for reasonable accommodation known to Human Resources, preferably by submitting a written request for accommodation.

Once Human Resources is aware of a request for accommodation, Human Resources will engage in an interactive process with the individual to understand clearly the limitations resulting from the disability and what accommodation(s) may assist the individual to overcome those limitations sufficiently to perform the essential functions of the position. Additional documentation may be required from the employee. The Human Resources Department will determine whether a requested accommodation is reasonable or whether it poses an undue hardship to the Company.

## **Anti-Harassment Policy**

### **1. Policy**

III is committed to providing a work environment free of unlawful harassment. Company policy prohibits discriminatory harassment, including sexual harassment. Harassment consists of unwelcome conduct, whether verbal, physical or visual, that is based upon a Protected Category.

This policy applies to all harassment occurring in the work environment, whether in the office, in client or Company-related settings or in the use of Company-provided business systems, including electronic mail, voicemail and the Internet. This policy covers all applicants for employment and all employees of the Company. This policy also prohibits unlawful discriminatory harassment by or directed at non-employees, such as contractors, clients, customers and vendors.

### **2. Definitions**

#### **a. Discriminatory Harassment**

Discriminatory Harassment includes any unwelcome verbal, physical or visual conduct based on an individual's status as a member of a Protected Category or any other unlawful basis, when such conduct:

- Creates, encourages, or permits a hostile, offensive or intimidating work environment;
- Unreasonably interferes with an individual's job performance; or
- Adversely affects an individual's employment, promotion or compensation opportunities.

Harassment can occur as a result of a single incident or a pattern of behavior and can include, but is not limited to, the following behavior:

- Using epithets, slurs or derogatory comments;
- Mocking, ridiculing or mimicking another's culture, accent, appearance or customs;
- Threatening, intimidating or engaging in hostile or offensive acts, including jokes, pranks, comments, e-mails or voicemails, that focus on an individual's status as a member of a Protected Category; or
- Displaying or circulating written or graphic material that denigrates or shows hostility or aversion toward a person or group because of a protected characteristic.

b. Sexual Harassment

Sexual harassment includes any unwelcome sexual advance, request for sexual favors and other verbal, physical or visual conduct of a sexual nature when such conduct:

- Is made explicitly or implicitly a term or condition of employment;
- Is used as a basis for any employment-related decision; or
- Has the purpose or effect of unreasonably interfering with an employee's work performance or creating an otherwise hostile or offensive work environment.

It is impossible to list all behaviors that are inappropriate in the workplace and could be a violation of this policy. Some examples of what may constitute sexual harassment are:

- Visual displays of sexually suggestive posters, photography, cartoons, drawings or gestures;
- Threatening to take or taking adverse employment actions, such as discharge, demotion and reassignment, if sexual favors are not granted;
- Demands for sexual favors in exchange for favorable or preferential treatment;
- Unwelcome flirtations, propositions or advances;
- Unwelcome physical contact, including intentionally blocking normal movement; and
- Offensive, insulting, derogatory or degrading remarks.

### **3. Reporting Harassment**

If you believe that you have been subjected to or have observed harassment, including sexual harassment, you should immediately report the situation to your manager or any other Company manager, the President of the Company, Human Resources, the Compliance Department or the Legal Department. You will be asked to provide details of the incident or incidents, names of individuals involved and of any witnesses. You are strongly encouraged to communicate your complaint in writing, but this is not mandatory. If you do not feel comfortable speaking to any of the above, please note that the Company has also established a Helpline at 1-888-301-1422 that can be called at anytime from anywhere in the United States and Canada, to report any claim of harassment, as well as any other apparent ethical or other misconduct. If you wish, calls to the Helpline may be made anonymously. An anonymous call will receive a tracking number so that the employee may check back to receive a response or provide more information. If the President or Chief Executive Officer is alleged to have engaged in the harassment, the matter will be reported to the Compliance Department or to the Board of Directors. Managers will refer all harassment complaints to Human Resources, the Legal Department or the President of the Company. Ultimately, all issues of a compliance nature will be reported to the Compliance Department.

Each allegation of harassment, including sexual harassment, will be fully, fairly and promptly investigated. The Company understands that allegations of harassment, including sexual harassment, can be extremely sensitive and will, to the extent possible, treat all complaints and information obtained during the investigation in a confidential manner. Certain circumstances may require III to disclose such information, however, in order to conduct a full and fair investigation or for other legitimate legal or business reasons.

Upon the completion of an investigation, all appropriate remedial actions, if any, will be taken. Any employee determined by the Company to be responsible for violation of this policy will be subject to appropriate disciplinary action, up to and including termination. Please note that III may discipline an employee for any inappropriate conduct discovered in investigating reports made under this policy, regardless of whether the conduct amounts to a violation of law or even a violation of this policy. III will apprise the complaining employee of the results of its investigation to the extent possible consistent with employee privacy and confidentiality considerations.

### **4. Reporting Harassment to State and Federal Agencies**

In addition to the above, if you believe you have been subjected to harassment, you may file a formal complaint with either or both of the following government agencies: (1) the United States Equal Employment Opportunity Commission (the “EEOC”) or (2) the state agency responsible for such complaints in the jurisdiction in which you work. Using III’s complaint process does not prohibit an employee from filing a complaint with these agencies. Each of the agencies has a short time period for filing a claim (EEOC – 180 days unless a claim has been filed with a state agency, in which case 300 days).

### **5. Consensual Relationships**

At times, consensual romantic and/or sexual relationships between co-workers may occur. When such a relationship is between an employee who has supervisory authority and one who does not, whether or not

in a reporting relationship, the Company's ability to enforce its policy against sexual harassment can be affected. Therefore, any supervisory employee involved in a relationship with another employee is required to report the relationship to his or her manager and/or to Human Resources. The Company will carefully consider each such relationship and will take appropriate action, if deemed necessary. Such action may include a change in reporting relationships, a change in responsibilities, relocation and/or other appropriate action.

#### **6. Non-Retaliation**

An employee who reports harassment or otherwise is involved in the investigation of a harassment allegation in good faith will not be subject to reprisal or retaliation. Retaliation is a serious violation of this policy and any concern about retaliation should be reported immediately. The reporting and investigation of an allegation of retaliation will follow the procedures set forth in this policy, and any individual found to have engaged in retaliation will be subject to appropriate disciplinary action, up to and including termination.

#### **7. Responsibilities**

Every III employee, regardless of position, has the responsibility to read, understand and fully comply with the principles described in this policy.

All III managers and supervisors are responsible for enforcing this policy statement and must promptly report all complaints or observations of harassment, including sexual harassment.

#### **8. False Complaints**

An employee who knowingly makes false accusations or provides false statements during an investigation may be subject to disciplinary action, up to and including termination.

## **Diversity at III**

At III, we recognize, respect and appreciate our diverse and unique global workforce and its commitment to excellence. That translates into maintaining a culture where individual strengths, combined with teamwork, are recognized as the foundation of our mutual success. We value the different perspectives that each of us brings to the work environment, our Company and our customers. III is committed to creating a workplace climate that promotes mutual respect, teamwork, productivity and safe operations among people from diverse backgrounds. In this environment, values of fairness, integrity and respect for the individual guide the efforts of all of our team members, as well as III's policies and practices.

## **Employee Classifications**

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## **Exempt vs. Non-Exempt Status**

All III employees are classified in accordance with the provisions of the Fair Labor Standards Act (“FLSA”) except where state law supersedes. The FLSA classifies employees as Exempt or Non-Exempt employees.

Exempt employees are not eligible for overtime pay. III intends to maintain the salary basis of all of its exempt employees. Notwithstanding any other provision of this handbook, III’s policies, including but not limited to discipline and benefits policies, are to be interpreted in accordance with the salary basis requirements of the FLSA and state law. Please refer to the Salary Basis/Safe Harbor Policy for more information.

Non-Exempt employees are generally employed in non-supervisory, technical, clerical or support positions and are covered by the minimum wage and overtime pay provisions of the FLSA and similar applicable state laws. Non-Exempt employees receive overtime pay for all hours worked over 40 hours in a payroll week (Monday through Sunday) or as otherwise required by applicable state law.

## **Salary Basis/Safe Harbor Policy**

The FLSA is a federal law that requires non-exempt employees in the United States be paid at least the federal minimum wage for all hours worked, as well as overtime pay at time and one-half one’s regular rate of pay for all hours worked over 40 hours in a workweek.

Section 13(a)(1) of the FLSA, however, provides an exemption from both minimum wage and overtime pay for employees classified as bona fide executive, administrative, professional or outside sales employees. Section 13(a)(1) and Section 13(a)(17) also exempt certain computer employees. To qualify for exemption, an employee generally must meet certain tests regarding his or her job duties and be paid on a salary basis at not less than \$455 per week. Some state laws, which have different requirements than the FLSA, also provide for exemptions from both minimum wage and overtime pay. Job titles do not determine exempt status. In order for an exemption to apply, an employee’s specific job duties and salary must meet all the requirements of the United States Department of Labor’s regulations, as well as any applicable state law requirements.

### Salary Basis Requirement

To qualify for exemption, employees generally must be paid not less than \$455 per week on a salary basis. These salary requirements do not apply to outside sales employees, teachers and employees practicing law or medicine. Exempt computer employees may be paid at least \$455 on a salary basis or on an hourly basis at a rate not less than \$27.63 an hour. State law requirements may be higher. Being paid on a “salary basis” means an employee regularly receives a predetermined amount of compensation each pay period on a weekly, or less frequent, basis. The predetermined amount cannot be reduced because of variations in the quality or quantity of the employee’s work. Subject to certain exceptions delineated by the United States Department of Labor, an exempt employee must receive the full salary for any workweek in which the employee performs any work, regardless of the number of days or hours worked. Exempt employees do not need to be paid for any workweek in which they perform no work. If the employer makes deductions from an employee’s predetermined salary because of the operating requirements of the business, that employee is not paid on a “salary basis.” If the employer makes

deductions from an employee's salary in a partial-day increment, the employee generally is not paid on a "salary basis." If the employee is ready, willing and able to work, deductions may not be made for time when work is not available.

### Company Policy

It is our policy to comply with the salary basis requirements of the FLSA and state law. Therefore, we prohibit all company managers from making any improper deductions from the salaries of exempt employees. We want employees to be aware of this policy and that the Company does not allow deductions that violate the FLSA or applicable state law.

### If An Improper Deduction Occurs

If you believe that an improper deduction has been made from your salary, you should immediately report this information to Human Resources.

A report of improper deductions will be promptly investigated. If it is determined that an improper deduction has occurred, you will be promptly reimbursed for any improper deduction made. The Company does not tolerate any retaliation against those who make such reports.

## **Full-Time Employees**

Full-time employees are those who are regularly scheduled for and do work 30 or more hours per week. Full-time employees are eligible to participate in III's benefit plans, Incentive Compensation Program and Merit Program.

## **Part-Time Employees**

Part-time employees are those who are scheduled for and/or do work fewer than 30 hours per week. Part-time employees are not eligible to participate in III's benefit plans. Part-time employees are eligible to participate in the Incentive Compensation Program and the Merit Program based on number of hours worked.

## **Temporary Employees**

Temporary employees are those employed for short-term assignments. Temporary employees are not eligible for participation in III benefit plans, the Incentive Compensation Program or the Merit Program.

## **Compensation and Hours**

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## **Work Schedules**

The workday at III typically begins at 9:00 a.m. and ends at 5:00 p.m., with an hour for lunch, generally taken from 12:00 p.m. to 1:00 p.m. (California employees, please see the California Meal and Rest Period Policy). If work is not finished in this time, your manager may ask you to work longer.

We expect you to be at work on a regular basis and on time; however, we understand that on occasion there are exceptions due to various circumstances. We ask you to let your manager or Human Resources know as far in advance as possible when an absence or tardiness may occur. We need and expect everyone's cooperation on this point. Unsatisfactory attendance puts a great burden on others, so we take this seriously and unsatisfactory attendance or punctuality may result in disciplinary action, up to and including termination.

The workweek begins at 12:01 a.m. Monday and ends at midnight on Sunday.

## **Payment of Wages**

Exempt or salaried employees are currently paid on a monthly basis, on or before the 25th of each month.

Non-Exempt or hourly employees are paid on a bi-weekly basis every other Friday.

It is III's policy that employee paychecks will only be given personally to that employee unless the employee works outside the New York office in which case paychecks will be mailed to the employee. All other arrangements for mailing, pick-up or direct deposit must be made in advance and in writing with Human Resources.

If a normal payday falls on an III-recognized holiday or weekend, employees will be paid on the last workday prior to the scheduled payday. Under no circumstances will III release any paychecks prior to the announced schedule.

In the event of a lost paycheck, the employee should immediately notify Human Resources in writing before a replacement check can be issued. The employee will be responsible for any charges assessed by any bank as a result of the stop payment action, unless otherwise required by law. In the event a lost paycheck is recovered and III identifies the endorsement as that of the employee, the employee must remit the amount of the replacement check to III within 24 hours of the time it is demanded and the employee will be subject to disciplinary action, up to and including termination.

## **Direct Deposit**

You may be paid through direct deposit of funds to multiple savings or checking accounts at your bank(s) of choice (providing the bank has direct deposit capability). To activate direct deposit, obtain a Direct Deposit Authorization Form from Human Resources. The completed form must be returned with a voided personal check or savings account information to Human Resources. Due to banking requirements it may take several weeks for activation of a direct deposit request.

## **Time Recording**

### Exempt Employees

Each exempt employee must record his or her attendance monthly in the UltiPro Time Management module. This module can be accessed through the III Intranet (“Intranet”). Once completed, each employee will submit his or her activity report to his or her manager electronically. All managers will electronically approve each employee’s time for a month and submit it to Human Resources through the UltiPro Time Management module on the Intranet by no later than the 10<sup>th</sup> of the following month.

Exempt employees are not required to sign in or out; however, any days not in the office must be documented in the UltiPro Time Management module.

### Non-Exempt Employees

Each non-exempt employee must record his or her daily attendance by completing an online time sheet each day in the UltiPro Time Management module. The time sheet should reflect the time he or she began and completed working each day, and the beginning and ending time of his or her lunch break. Care must be exercised in recording hours worked, overtime hours and absences. Each employee is responsible for only his or her own record keeping. Altering, falsifying or tampering with timekeeping records, submitting time for hours not actually worked, working hours not recorded (i.e., working “off the clock”), having someone else record another employee’s time or recording another employee’s time and performing overtime work not specifically authorized in advance are all direct violations of III’s policy and may result in appropriate disciplinary action, up to and including termination. Any employee that is encouraged to work “off the clock” or otherwise falsify a time record must notify Human Resources immediately.

Lunchtime is one hour unless otherwise submitted (subject to managerial approval on a daily basis). California employees, see the California Meal and Rest Period Policy.

Work must always commence at the exact time an employee records as his or her start time.

Any change in normal working hours (9 a.m. – 5 p.m.) must be approved in advance by your manager.

## **Overtime for Non-Exempt Employees**

All employees will have their OT calculated in accordance with state law.

### General

III pays non-exempt employees overtime pay in accordance with applicable state or federal laws and specific III policies. Every employee is required to work overtime when requested to do so. Prior approval from your manager, however, is required before any non-exempt employee works overtime. An employee working overtime without approval may be subject to disciplinary action. III provides compensation for all overtime hours worked by non-exempt employees as follows: Non-exempt employees are eligible for additional pay for work performed beyond their regularly scheduled thirty 35 weekly hours. After an employee has worked 40 hours in a week, all additional time shall be compensated at a rate of time and one-half (1.5) the employee’s regular rate of pay. For purposes of determining which hours constitute overtime, only actual hours worked in a given workday or workweek will be counted. Exempt employees are not entitled to overtime pay.

Meal breaks for non-exempt employees are one hour unless recorded differently on time and attendance records. California employees, see the California Meal and Rest Period Policy. A workday begins at 12:01 a.m. and ends at midnight 24 hours later. A workweek begins each Monday at 12:01 a.m.

### California

Employees working in a California office will be required to work overtime when requested to do so. Each non-exempt employee will be paid one and one-half times his or her regular straight time rate for all hours worked over 8 hours in a workday or 40 hours in a workweek, or for the first 8 hours on the seventh consecutive day in a workweek. Each non-exempt employee will be paid two times his or her regular rate for all hours worked in excess of 12 hours in a workday or in excess of 8 on the seventh day of the workweek.

## **California Meal and Rest Periods**

California employees who work a shift of more than five hours are provided with a one-hour, and at least a 30-minute, off-duty unpaid and uninterrupted meal period by the end of the fifth hour of work, unless the employee works 6 hours or less in a workday and the employee and the Company agree to voluntarily waive the meal period. Employees should begin the meal period by no later than the end of the fifth hour of work. Employees are relieved of all work duties during meal periods and are free to use the meal period time for whatever purpose they desire.

California employees who work a shift of more than 10 hours are provided with a second 30-minute off-duty, unpaid and uninterrupted meal period by the end of the tenth hour of work. However, if the employee works more than 10 hours in a day, but not more than 12 hours, then the employee and the Company can agree to waive the second meal period.

Each non-exempt employee is required to record accurately the time he or she begins and ends each meal period. Non-exempt employees must not perform any work “off the clock” during meal periods. Any time spent performing work during a meal period must be reflected on the employee’s time record.

California employees are authorized and permitted to take one 10-minute paid rest break for every four hours worked or major portion thereof. Rest breaks should be taken as close to the middle of each four-hour work period as practicable. III encourages employees to take all authorized rest breaks each workday. Employees who work more than six hours in a day are authorized and permitted to take two paid rest breaks each day. Employees who work six hours or fewer are authorized and permitted to take one paid rest break each day. Employees who work more than 10 hours in a day are authorized and permitted to take an additional rest break. Employees working fewer than 3-1/2 hours in a day are not entitled to a rest break.

If an employee is not provided with a meal or rest period as specified in this policy, or anyone directs or encourages the employee to skip meal or rest periods, the employee must contact Human Resources immediately. Employees may do so without fear of retaliation, which Company policy prohibits.

Employees may not add their rest periods to their meal period as a means of taking a longer meal period. Employees also should not work through their meal or rest breaks in order to arrive late or leave early.

III will assume that each employee has been provided with his or her meal and rest periods as set forth in this policy unless an employee notifies Human Resources of a problem. If an employee reports working during a meal period, returning to work prior to the end of a meal period, being denied a meal or rest period or being required to delay a meal period until after the end of the 5th hour of work, then the

employee will be paid in accordance with applicable law. Employees will be subject to discipline for violating this policy. Employees with questions regarding this policy or meal and rest period entitlements, should contact Human Resources immediately.

## **Performance Management Program**

### **Policy**

III is committed to attracting and retaining highly qualified and competent staff. We abide by the philosophy of rewarding performance. The III Performance Management Process (“PMP”) provides a formal means for discussing, planning and reviewing your performance and goals. Regular performance appraisals provide:

- You with clear definition and understanding of your responsibilities and annual goals and the criteria by which your performance will be evaluated, as well as ways in which you can improve performance;
- Managers with tools to evaluate and achieve departmental goals; and
- A fair basis for awarding compensation based on merit.

### **Program Schedule**

The III PMP is a multi-step process. During the year, you will meet with your manager to formulate annual goals; managers conduct mid-year reviews; you input your accomplishments against your goals and managers conduct evaluations.

You should receive a formal performance review annually. Your overall performance must be evaluated to determine if incentive compensation and/or a salary increase is warranted.

If your job responsibilities change substantially after your annual review, another review may be performed during the off-cycle period.

## **Compensation Program**

### **Policy**

At III, our philosophy for compensating and rewarding you is based on the concept of pay-for-performance. The Company is aware that your performance and contributions have a significant impact on our success. We believe it is important to reward and recognize you for your efforts, and we will continue to develop and implement programs that reflect this philosophy.

### **Positions and Salary Ranges**

Each position at III is assigned a pay grade and associated salary range in our salary structure. The pay grade is based on the responsibilities of the job indicated in the job description. The salary structure ranges are reviewed each year, taking into account business and labor market conditions, to ensure they remain at competitive levels.

### **Incentive Opportunities**

All full-time and part-time employees are eligible for the Company's Incentive Compensation ("IC") plan. The plan is based on goal achievement at the corporate and individual performance levels. Corporate goals are set at the beginning of each year. At that time, your manager will meet with you to set specific individual goals for the year. The IC awards are not guaranteed and are based on your goal achievements as well as the overall performance of the Company for the year. Only employees with an active status at time of payment, including those who are on an approved leave of absence, are eligible to receive an IC award.

### **Merit Review**

To ensure competitiveness, IHI has an annual merit review cycle during which all eligible full-time and part-time employees are simultaneously reviewed for a merit increase. The merit increase is meant to provide recognition of how well an employee performed his or her job over the review period and is based on his or her performance review overall rating.

Merit increases are not guaranteed and are based on individual as well as Company performance.

### **Position Changes**

The Company recognizes the value of promotion from within as part of its Compensation Program. Promotion opportunities are available regardless of an employee's status as a member of a Protected Category. We actively encourage all of our employees to seek out challenges and new opportunities. Please refer to the Job Posting Program.

### **Proration of Incentive Compensation and Merit Increases**

Merit increases and Incentive Compensation for National staff will be prorated based on the following situations/factors:

- Employees hired after April 1st (the first day of the Company's fiscal year) will receive a merit increase and IC for that fiscal year based on days worked.
- Part-time employees will receive a merit increase and IC based on hours worked.
- Employees who take a Leave of Absence (LOA) will receive a merit increase and IC for the fiscal year in which the LOA is taken based on days worked. For this purpose, PTO days taken shall be included, and Sick Bank, Paid Parental Leave, Disability, and unpaid time shall be excluded as days worked.

Note: No proration for use of PTO, bereavement, jury duty, or day off for wedding (please contact your HR Generalist for additional information).

## **Benefits**

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## **Insurance Benefits**

III offers comprehensive insurance benefits to its full-time employees. The benefits offered include:

- Health Insurance
- Dental Insurance
- Prescription Drug Plan
- EyeMed Discount Program
- Life Insurance
- Accidental Death/Dismemberment Insurance
- Short-Term and Long-Term Disability Insurance

The Company also offers several voluntary benefits that employees can pay for, such as supplemental accidental death and dismemberment, supplemental life and vision insurance. Details and plan summaries regarding all insurance benefits can be obtained on the Intranet or by contacting Human Resources.

## **Pre-Tax Benefits**

The Company also provides several pre-tax benefits for full-time employees. They fall under Section 125 of the Internal Revenue Code. You may enroll in III's Flexible Spending Account and III's Transit Program. Details can be found on the Intranet or by contacting Human Resources.

## **401(k) Plan**

III provides a 401(k) plan for eligible employees in order to assist them in planning for their retirement. Information regarding eligibility, matching contributions and the vesting schedule can be obtained on the Intranet or by contacting Human Resources.

## **Employer Contribution Plan (ECP)**

III provides an Employer Contribution Pension Plan for eligible employees in order to assist in planning for their retirement. Information regarding eligibility, contributions and the vesting schedule can be obtained on the Intranet or by contacting Human Resources.

## **Employee Referral Program**

The Company is proud of the quality of its employees and we value them as a key resource for identifying other talented employees. To encourage and reward employees for enhancing III's employee base, III will pay a bonus of \$1,000.00 after taxes for qualified referrals. Details of the program can be found on the Intranet or by contacting Human Resources.

## **Voluntary Annual Physical Examinations**

The Company encourages (but does not require) you to have a voluntary physical examination annually. If you are a regular full-time employee, payment for your annual physical examinations is to be made through your health insurance provider and, if coverage is not 100%, the Company will reimburse you for the difference, subject to the limitations under our annual physical examination reimbursement guidelines. The Benefits Department can advise you of the medical procedures covered and the method of obtaining reimbursement.

## **Employee Assistance Program**

The Company maintains an Employee Assistance Program ("EAP") as a confidential service provided by an outside provider that offers counseling and other professional resources for you and your family. The Company assumes the full cost of the EAP. If you need help outside the scope of the EAP, counselors will refer you to local resources. The EAP number is 1-800-448-4358. Details of the EAP can be obtained by contacting Human Resources.

## **Service Awards**

In recognition of loyal service and fully satisfactory performance, the Company will award a gift at the end of each five-years of full-time service.

## **Matching Gifts Program**

One of the ITOCHU Group's Corporate Social Responsibility initiatives is to be a good corporate citizen in the communities around the world where it has operations. You may complete a Matching Gifts Application, available on the Intranet, if you would like to have your gift to an eligible organization or charity matched. Please refer to Appendix 1 for details.

## **Employee Discount Programs**

III makes various discount programs available to you. At times these include cosmetics, car rental, cultural and sporting event tickets and discounts for museums, apparel, wireless phones, automobiles, gym membership and Broadway shows. Please refer to the Intranet for current information regarding these programs.

## **Company Events and Activities**

From time to time, III sponsors various employee activities and outings. We also offer several volunteering opportunities.

III has a wellness initiative and offers lunchtime seminars, flu shots and an annual health fair. Please refer to the Intranet for current information regarding these programs.

## **Learning and Development Programs**

The Learning and Development Department within III Human Resources offers a variety of training programs. A course catalog for all in-house programs is posted on the Intranet, within the Learning Center. Reimbursement for any non-degree professional training offered outside of III is subject to approval and administrative oversight by your Division General Manager. Such training might include seminars, conferences, certificate programs, individual undergraduate and graduate level courses, executive education programs, etc. If you wish to participate in such a program, please consult with your immediate supervisor and Division General Manager. For more information, contact Human Resources.

## **Tuition Assistance Program**

Subject to management approval, III provides tuition reimbursement up to \$10,000 per year for graduate degree programs at accredited educational institutions (tax-free up to the IRS limit). For additional details, please refer to Appendix 2 (“Tuition Assistance Program”).

## **Language Training**

III makes available language training assistance in English, Japanese and any other language that is important to the success of III in an effort to assist you in enhancing your current skills and improving your future potential. Classes must be approved by your divisional General Manager. You may obtain a Language Training Application on the Intranet.

## **Time Off**

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## Paid Time Off (Non-California Employees)

The Paid Time Off (“PTO”) policy provides time off with pay, to be used for vacations, sickness, religious holidays and observances and personal matters. This policy applies to all regular full-time employees of the Company. The Company encourages you to take time off for the renewal of your energy and health. Any part-time employee or other employee not covered by this policy who works in New York will receive paid sick time in accordance with the New York City Earned Sick Time Act.

PTO is earned monthly according to the schedule below and will be credited to your PTO account on the sixteenth (16<sup>th</sup>) of each month for the current month.

The rate at which you accrue PTO and the maximum number of unused PTO hours that can be carried over from one year to the next varies with years of credited service and grade level within the Company, in accordance with the following schedule:

III Grade Level	Start of Employment				After Completion of 3 Years of Service			After Completion of 6 Years of Service		
		Hours Accrued Monthly	Yearly Total	Maximum Annual Carryover	Hours Accrued Monthly	Yearly Total	Maximum Annual Carryover	Hours Accrued Monthly	Yearly Total	Maximum Annual Carryover
Grades 9-16	15.75	189	105	15.75	189	105	15.75	189	105	
Grades 5-8	12.25	147	70	15.75	189	105	15.75	189	105	
Grades 1-4	8.75	105	70	12.25	147	70	15.75	189	105	

- At calendar year-end, excess days above the maximum carryover limits are credited to your Sick Bank Account, up to a maximum of 630 hours, unless prohibited by applicable law.
- In the event of termination of employment, only accrued but unused PTO hours will be paid out at your then-current base rate of pay, and accumulated Sick Bank hours will be forfeited, unless prohibited by applicable law. In the event of transfer to a subsidiary or affiliate, accrued but unused PTO hours will be either paid out to you or transferred to the subsidiary or affiliate, at the Company’s discretion. Accumulated Sick Bank hours will be forfeited in the event of a transfer to a subsidiary or affiliate.
- Non-exempt employees may use their accrued PTO in ½ hour increments with the approval of their manager.
- You may not generally maintain negative PTO balances. Any request for an exception to this policy must be discussed with your manager, and your manager will make the final decision, in conjunction with Human Resources. If you do not have accrued PTO to cover time taken off, you will not be paid for that time.
- Barring an unforeseen situation, you must get approval in advance from your manager for use of PTO hours, except where you are using PTO for sickness, in which case the Company asks that you provide reasonable notice to the extent feasible. You must also

make appropriate entry in the UltiPro Time Management module to be properly credited for use of PTO.

- You must abide by the PTO policy or be subject to disciplinary action, up to and including termination.
- PTO is computed based on the rate of pay at the time the PTO is taken. PTO pay shall be issued through normal payroll cycles.
- If a holiday falls during your scheduled PTO time, that day will be classified as a holiday, not PTO.
- When calculating a proper two-week notice upon termination, PTO may not be applied.

#### Scheduling PTO Days (except when using PTO for sickness)

The scheduling of your PTO is subject to the approval of your manager. Scheduling of PTO should take business requirements into account whenever possible to minimize the impact on the Company. You and your manager must discuss a mutually agreeable time to schedule time off.

The system of PTO will give you flexibility in allocating your time off without loss of pay. We strongly encourage you to take PTO each year, but also to set aside some hours in case of periods of illness and unforeseen emergencies.

#### PTO Accrual While on a Leave of Absence

While on a leave of absence, credit for your monthly PTO accrual will be determined based only on days worked and PTO days taken within that month. Please contact Human Resources for additional information.

#### Sick Bank Account

The Company has established a paid Sick Bank Account to protect you during periods of extended illness or leaves of absence. All of an employee's earned and unused PTO days at the end of each calendar year that are in excess of allowable carryover days will be credited to the employee's Sick Bank Account. Sick Bank Accounts are to be used in the event of extended illness of five (5) days or more, while under an approved state or federal Leave of Absence or on an approved Personal Leave to care for an immediate family member or to address an unforeseen family emergency. Use of Sick Bank days must be approved by Human Resources. Medical certification or other relevant documentation may be required in order to utilize your Sick Bank Account.

PTO, which is different from your Sick Bank Account, is to be used for illnesses lasting less than five (5) days.

A maximum of 630 hours can be accumulated in each employee's Sick Bank Account. If any unused PTO hours at the end of a year above the carryover limit would increase the number of Sick Bank hours above 630, then such excess hours will be forfeited.

In the event of termination or transfers, accumulated Sick Bank hours are forfeited.

## Paid Time Off (California Employees Only)

The Paid Time Off (“PTO”) policy for III employees based in California provides time off with pay to be used for vacations, sickness, religious holidays and observances and personal matters. The Company encourages all employees to take time off for the renewal of energy and health. Any part-time employee or other employee not covered by this policy who works in San Francisco will receive paid sick time in accordance with the San Francisco Paid Sick Time Ordinance.

California law does not permit the Company to use the same PTO policy for California-based employees as the Company uses for its other employees. This policy applies to all regular full-time employees of the Company who are based in California.

PTO is earned monthly according to the schedule below and will be credited to an employee’s PTO account on the sixteenth (16<sup>th</sup>) of each month for the current month.

The rate at which each employee accrues PTO and the maximum unused PTO hours that can be accumulated vary with years of credited service with the Company and grade level within the Company, in accordance with the following chart:

III Grade Level	Start of Employment	After Completion of 3 Years of Service				After Completion of 6 Years of Service			
		Hours Accrued Monthly	Yearly Total	Maximum Accrual In Hours	Hours Accrued Monthly	Yearly Total	Maximum Accrual In Hours	Hours Accrued Monthly	Yearly Total
Grades 9-16	15.75	189	378	15.75	189	378	15.75	189	378
Grades 5-8	12.25	147	294	15.75	189	378	15.75	189	378
Grades 1-4	8.75	105	210	12.25	147	294	15.75	189	378

- When you have accrued the maximum number of hours permitted by the above chart, you will not accrue any further PTO hours until after you have used some of those accrued PTO hours.
- Barring an unforeseen situation, you must get approval in advance from your manager for use of PTO time, except where you are using PTO for sickness, in which case the Company asks that you provide reasonable notice to the extent feasible. You must properly report all PTO time used by appropriate entry in the UltiPro Time Management module.
- Non-exempt employees may use their accrued PTO in ½ hour increments with the approval of their manager.
- You may not generally maintain negative PTO balances. Any request for an exception to this policy must be discussed with your manager, and the final decision shall be made by your manager, in conjunction with Human Resources. If you do not have accrued PTO to cover time taken off, you will not be paid for that time.
- You must abide by this PTO policy or be subject to disciplinary action, up to and including termination.

- PTO is computed based on the rate of pay at the time the PTO is taken. PTO pay shall be issued through normal payroll cycles.
- If a holiday falls during your scheduled PTO time, that day will be classified as a holiday, not PTO.
- In the event of termination of employment, accrued but unused PTO hours will be paid out at your then-current base rate of pay. In the event of your transfer to a subsidiary or affiliate, accrued but unused PTO hours can be either paid to you or transferred to the subsidiary or affiliate, at the Company's discretion.
- When calculating a proper two-week notice upon termination, PTO may not be applied.

#### Scheduling PTO Days (except when using PTO for sickness)

The scheduling of your PTO time is subject to the approval of your manager. Scheduling of PTO should take business requirements into account when possible to minimize the impact on the Company. You and your manager must discuss a mutually agreeable time to schedule time off.

The system of PTO will give you flexibility in allocating your time off without loss of pay. We strongly encourage you to take PTO each year, but also to set aside hours in case of periods of illness and unforeseen emergencies.

#### PTO Accrual While on a Leave of Absence

While on a leave of absence, credit for your monthly PTO accrual will be determined based only on days worked and PTO days taken within that month. Please contact Human Resources for additional information.

## **Holidays**

All full-time employees are eligible for III's paid holidays. The schedule is distributed in December every year for the following year. A current holiday schedule can be obtained from the Intranet or from Human Resources.

The following conditions apply to III's holiday pay policy:

- Holiday pay will not be considered as time worked for the purpose of overtime calculations.
- Holiday pay is computed at each individual employee's base rate of pay at that time.
- Holidays falling within approved scheduled PTO will be paid as holidays.
- Holidays falling within any approved leave of absence will be unpaid unless the holiday falls between the use of scheduled PTO.
- Holidays falling within Sick Bank leave, Paid Parental Leave, disability, or unpaid leave will be unpaid.

- Interns and Part Time employees are not eligible for holiday pay.
- Employees are eligible to leave at 3:00 pm, with manager approval, on the business day before the following holidays: Memorial Day, Fourth of July, Labor Day, Thanksgiving, and Christmas.

## **Jury Duty**

Jury duty means serving on any local, state or federal jury, including the jury-selection process. You must be given time off to serve on jury duty. All full-time employees will be paid for hours missed from their regular work schedule, minus the amount of pay received for jury duty during the first 20 days of service and within any 12-month period.

To be eligible for pay, you must submit evidence of your Jury Duty service to Human Resources.

If the court schedule permits, you are expected to report to work during normal business hours. Paid jury duty time does not count toward the 40-hour overtime threshold.

Upon receipt of notification from a state or federal court of an obligation to serve on a jury or to act as a court witness, you must notify your manager immediately. You are required to provide copies of the subpoena or jury summons to your manager and Human Resources.

If you are appearing as a plaintiff or defendant or for a non-subpoenaed court appearance, you will not receive paid time off under the Jury Duty policy. Accrued PTO or unpaid time should be used for these instances.

## **Bereavement**

In the event of a death in a full-time employee's immediate family, the employee may receive time off with pay for up to five (5) business days for any regular scheduled hours missed during the five-day period, upon notification to their manager. If additional time is needed, you should seek your manager's approval to use PTO or take unpaid days.

For this purpose, one's immediate family includes the employee's:

- Spouse
- Domestic Partner
- Children or stepchildren (including domestic partner's child or stepchild)
- Parents (including in-laws and domestic partner's parents), stepparents, legal guardian
- Siblings, stepsiblings
- Grandparent
- Grandchildren

## **Day Off for Wedding**

In addition to your eligible PTO, III will grant the last working day before your wedding as a full day off with pay.

## **Time Off for Voting**

If you are registered to vote and do not have sufficient time outside of working hours to vote in an election of government leaders, you may take off working time to vote, without loss of pay, in accordance with applicable state law. Such time off shall be taken at the beginning or the end of your regular workday, and the time taken off shall be combined with when the polls are open outside of working hours, in accordance with applicable state law. When possible, please provide your manager at least five (5) days' notice of your request for time off to vote, unless otherwise required by law. Please contact Human Resources with any questions regarding time off for voting.

## **Lactation Time Away From Work**

III recognizes and respects the need to accommodate lactating mothers who choose to express breast milk during work time, without discrimination.

The Company shall provide each such employee with reasonable unpaid break time, or permit such employee to use paid break time or meal time, each day to allow her to express breast milk for her nursing child for up to three years following childbirth, unless otherwise required by applicable law. A lactation break shall generally be no less than twenty minutes.

III shall make reasonable efforts to provide a room or other location in close proximity to your work area where you can express milk privately. If you wish to avail yourself of this benefit, please contact Human Resources in advance.

## **Leaves of Absence**

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## Family Medical Leave Act (FMLA)

The FMLA is a federal government-mandated benefit providing eligible employees with job protection for limited periods of time under certain conditions. Under the FMLA, eligible employees may, with certain exceptions:

- Take up to 12 weeks of unpaid leave in any rolling 12-month period (the 12-month period is measured backward from the date you take any FMLA leave);
- Have continuation of health insurance benefits; and
- Be reinstated in most cases to the same or equivalent position at the end of the leave.

III's FMLA policy complies with federal law. To the extent that state and/or local law offers more protection or benefits to employees than the federal FMLA, the protection or benefits provided by such laws will apply.

### Eligibility Requirements

Every employee is eligible for up to 12 weeks of job-protected unpaid family/medical leave within any 12-month period, under the following conditions:

- The employee has at least 12 months of service with the Company;
- The employee has worked at least 1,250 hours during the 12-month period prior to the beginning of the leave; and
- The Company has at least 50 employees based within a 75-mile radius of where the employee is based, including that facility. In the case of III, it is our policy to cover eligible employees at all office locations regardless of the number of employees at the location.

### Reasons for Leave

Leave may be requested for any of the following reasons:

- Birth/Placement. The birth and care of your child, or the placement for adoption or foster care of a child with you;
- Family Medical. To care for an immediate family member (spouse, child or parent) who has a serious health condition; or
- Employee Medical. For a serious health condition that prohibits you from performing an essential function of your job.

Leave for Birth/Placement must be completed within the 12-month period beginning on the date of birth or placement. In addition, spouses employed by the Company who request Birth/Placement leave or to

care for an ill parent may only take a combined aggregate total of 12 weeks leave during any 12-month period. Leave may be taken on an intermittent or reduced work schedule basis if medically necessary.

#### Pay During Leave

FMLA leave is unpaid, but if you have accrued Paid Time Off (“PTO”) and/or Sick Bank hours you must use these days during a Family/Medical Leave unless you are eligible for and elect to use disability insurance first. The use of PTO, Sick Bank, Paid Parental Leave and disability runs concurrent to Family/Medical Leave and cannot be used to extend the 12-week FMLA period.

#### Notice of Leave

If the need for Family/Medical Leave is foreseeable, you must give notice to your manager and contact Human Resources as soon as you realize the need for Family/Medical Leave, and whenever possible at least 30 days before the start of such leave. Failure to provide such notice may be grounds for delay or denial of leave. You must consult with your manager regarding scheduling of any planned medical treatment or supervision in order to minimize disruption to Company operations. Any such scheduling is subject to the approval of your health-care provider or the health-care provider of your immediate family member.

Where the need for leave is not foreseeable, you are expected to notify the Company as soon as practicable, generally within 1 to 2 business days of learning of your need for leave.

#### Medical Certification

If you are requesting Family/Medical Leave, the healthcare provider treating you or your covered family member must provide a medical certification. The medical certification must be given to Human Resources within 15 days after it is requested, or as soon as reasonably possible under the circumstances. Failure to provide the medical certification in a timely manner may result in denial of leave until it is provided. The Company also may require recertification periodically during a leave, and you will be required to present a fitness-for-duty certificate before you return to work following your own Medical Leave. Failure to provide certification by your health care provider of your fitness to return to work to Human Resources will result in denial of your reinstatement until the certificate is obtained.

#### Medical and Other Benefits

If you are taking Family/Medical Leave, you will be allowed to continue participating in the health and welfare benefit plans in which you were enrolled before the first day of the leave (up to a maximum of 12 workweeks, unless you are taking Military Caregiver leave, then the maximum is 26 workweeks) at the level and under the conditions of coverage as if you had continued your employment for the duration of such leave. III will continue to make the same premium contribution as if you had continued working; however, you will be responsible for paying the remaining premium balance at least on a monthly basis. The counting of the number of permissible weeks begins on the first day of Family/Medical Leave.

The Company will recover from an employee the premiums paid to maintain his or her health coverage if the employee fails to return to work following a Family/Medical Leave, unless the employee does not return to work because of a continuing or recurring serious health condition or that of a covered family member, or because of other circumstances beyond your control.

Upon exhaustion of the FMLA period, you may continue group health insurance coverage through III in conjunction with the federal COBRA guidelines by making monthly payments to the Company's COBRA Administrator for the amount of the applicable premium. Payment is due on the first of each month. If an employee returns to work on or before the 15<sup>th</sup> calendar day of the month following the ending of coverage due to FMLA exhaustion, III may allow coverage to continue for such month, provided the employee pays for that coverage. For further information contact the Benefits Department of Human Resources.

PTO does not accrue during FMLA leave. While on Family/Medical Leave, you are not eligible for holiday pay unless the holiday falls between the use of scheduled PTO leave. For calculation purposes, incentive compensation and merit increases are prorated based on days worked and PTO days taken during an eligible period.

### Returning From Leave

Under most circumstances, upon return from Family/Medical Leave, you will be reinstated to your original job or to an equivalent job with equivalent pay, benefits and other terms and conditions of employment, unless you would have lost your position regardless of the leave. The use of Family/Medical Leave will not result in the loss of any employment benefit that you have earned or were entitled to before using the leave. Refusal of an offer of reinstatement to an equivalent position will be treated as a voluntary resignation.

Certain highly compensated or "key employees" may be denied restoration to their prior or equivalent position. Key employees are those employees who are among the highest paid ten percent of employees within 75 miles of the worksite. Denial is based on the following conditions:

- The denial is necessary to prevent substantial economic injury to the Company;
- You are notified of your "key employee" status as well as the Company's decision to deny restoration should the leave take place or continue; and
- You elect not to return to work after being notified of the Company's decision.

### Intermittent or Reduced Work Schedule Leave

Leave because of a serious health condition (for either you or a covered family member) may be taken intermittently (in separate blocks of time due to a single covered health condition) or on a reduced leave schedule (reducing the usual number of hours you work per workweek or workday) if medically necessary. If family leave is for birth or placement of a child for adoption or foster care, use of intermittent leave is subject to III's approval.

### State Law

If an applicable state or local law provides for job-protected family or medical leave, that leave and the Family/Medical Leave will run concurrently, if permitted by law. The FMLA does not supersede any state or local law which provides employees with greater family or medical leave rights, and you will receive all benefits and protections to which you are entitled under all applicable leave laws. Please contact Human Resources for more information.

### Military FMLA Leave

The FMLA entitles eligible employees to take leave for a family member's covered service in the Armed Forces, including the National Guard and Reserves.

Military FMLA Leave runs concurrent with other leave entitlements provided under federal, state and local law. A growing number of states provide leave for families of service members. The entitlements to such leave differ from state to state. Our policy is to comply with such laws in every circumstance where they apply to employees of the Company.

Military FMLA provides eligible employees unpaid leave for one, or a combination of, the following reasons:

### Military Caregiver Leave

Eligible employees may take leave to care for a covered service member or covered veteran with a serious illness or injury (incurred or aggravated in the line of active duty in the Armed Forces) and who is the employee's parent, child or spouse, or for whom the employee is next of kin. Such leave may be taken for up to 26 weeks in a single 12-month period, which period begins on the first day the employee takes leave for this purpose and ends 12 months after that date. To be considered "next of kin," the employee must be the nearest blood relative of the injured service member or veteran (other than the employee's parent, spouse or child). Military Caregiver Leave, when combined with other FMLA-qualifying leave, may not exceed 26 workweeks in any 12-month period, except where applicable law gives additional entitlement to employees of our Company.

### Qualifying Exigency Leave

Eligible employees may take leave due to a "qualifying exigency" arising out of the fact that an employee's spouse, parent or child is on covered active duty or has been notified of an impending call or order to covered active duty in the Armed Forces in a foreign country. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, attending post-deployment reintegration briefings and other activities associated with the family member's call or order to service. When leave is due to a "qualifying exigency" an eligible employee may take up to a total of 12 workweeks of unpaid leave during any 12-month period.

If you have questions regarding Military FMLA Leave, contact Human Resources.

## **Family Military Leave**

An eligible employee is entitled to take up to 10 days of unpaid Family Military Leave when his or her military spouse is on leave from deployment during a time of military conflict. To be eligible, the employee must work for the Company an average of at least 20 hours per week and is the spouse or registered domestic partner of a member of either:

1. United States Armed Forces who has been deployed during a period of military conflict to an area designated as a combat theater or combat zone by the President of the United States; or
2. National Guard or Reserves who has been deployed during a period of military conflict.

Employees wishing to take Family Military Leave must provide notice to the Company within two business days of receiving official notice that the military spouse or registered domestic partner will be on leave from deployment. You must also provide documentation certifying that the time period of the military spouse's leave from deployment matches the dates that you are requesting leave. Retaliatory employment actions directed against an employee for requesting or obtaining leave pursuant to this policy are prohibited.

## **New York State Paid Family Leave (PFL)**

Effective January 1, 2018, III will provide paid leave (up to a certain percentage of your weekly wages) to eligible employees pursuant to New York's Paid Family Leave Benefits Law.

### Eligibility Requirements

To be eligible, an employee must: (i) regularly work 20 or more hours per week and be employed for at least 26 consecutive workweeks preceding the first full day family leave is taken; or (ii) regularly work less than 20 hours per week and be employed for at least 175 days preceding the first full day leave is taken.

### Permissible Purposes for Leave

Eligible employees will be entitled to paid time away from work (i) to care for a family member with a serious health condition, (ii) to bond with a child after birth or placement for adoption or foster care within the first 12 months after the birth or placement, or (iii) because of any qualifying exigency arising from the fact that an employee's spouse, domestic partner, child or parent is on active duty (or has been notified of an impending call or order to active duty) in the armed forces of the United States.

### Use of Other Leave and Interplay

To the extent permitted by law, employees may elect to charge all or part of their PFL time to accrued and unused PTO time and receive full pay. In such case, III will seek reimbursement from the carrier out of any family leave benefits due prior to the carrier's payment of such family leave benefit to you.

PFL will run concurrently with leave taken pursuant to the Family and Medical Leave Act (with the exception of leave taken due to the employee's own health condition).

### Notice of Need for PFL

An employee must provide at least 30 days advance notice to their manager and contact Human Resources before leave is to begin if the qualifying reason for leave is foreseeable. When not foreseeable, the employee must provide notice as soon as practicable under the facts and circumstances and within the time prescribed by our usual and customary notice requirements. Failure to provide timely notice may result in leave being delayed or denied.

### Certification

Eligible employees who wish to take paid leave must comply with applicable certification requirements and may be required to provide additional documentation (such as copies of military orders), as permitted by law.

### Job and Benefits Protection

PFL taken under this policy is job protected. Thus, III must generally restore an employee who returns from PFL to the same or a comparable position. While on leave, employees will continue to receive existing health insurance coverage, provided that they continue to pay their share of health insurance premiums. You may lose coverage retroactively to the date an unpaid premium was due (upon proper notice from our carrier) if you fail to pay your portion of the premium in a timely fashion.

Upon exhaustion of the PFL period, you may continue group health insurance coverage through III in conjunction with the federal COBRA guidelines by making monthly payments to the Company's COBRA Administrator for the amount of the applicable premium. Payment is due on the first of each month. If an employee returns to work on or before the 15<sup>th</sup> calendar day of the month following the ending of coverage due to FMLA exhaustion, III may allow coverage to continue for such month, provided the employee pays for that coverage. For further information contact Human Resources.

PTO does not accrue during PFL. While on Family/Medical Leave, you are not eligible for holiday pay unless the holiday falls between scheduled PTO days. For calculation purposes, incentive compensation and merit increases are prorated based on days worked and PTO days taken during a fiscal year.

### Limitations and Rules Related to Use of PFL

PFL may only be taken in full-day increments, unless otherwise provided by law.

Disability leave and PFL may not be used at the same time. You will not be entitled to PFL if your family leave combined with disability benefits previously received exceeds 26 weeks during the same 52 consecutive calendar weeks.

### Funding of PFL Benefits

In accordance with state law, paid leave benefits are funded through payroll deductions at a prescribed amount from each eligible employee. Employees who are ineligible for PFL will be given the option of filing a waiver of benefits, exempting them from payroll deductions, as permitted by law.

Please contact Human Resources if you have any questions about this benefit or how to apply.

## **Paid Parental Leave**

The Company provides paid leave to eligible employees who are parents of a newborn child or a newly adopted child to allow for a period of bonding with the child. The type of leave that an employee qualifies for depends on whether the employee is a primary or non-primary care giver, as defined by this policy. ***An employee may only take one Paid Parental Leave (either Primary Care Giver or Non-Primary Care Giver, as applicable) within a twelve-month period.***

### Eligibility

To be eligible for Paid Parental Leave, an employee must have completed at least one (1) year of full-time service (excluding any leaves) before the birth or adoption of a child.

### Parental Leave Benefits for the Primary Care Giver

Employees (females and males) who are the primary care givers in their respective family as defined in this policy may be eligible for up to six (6) weeks of paid parental leave (at 100% of regular base salary) for the care of a newborn child or a newly-adopted child. Paid Parental Leave for primary care givers must be taken immediately following the birth or adoption of the child and cannot be taken on an intermittent or part-time basis.

### Parental Leave Benefits for the Non-Primary Care Giver

Employees (females and males) who are not the primary care giver in their respective family as defined in this policy may be eligible for up to a total of two (2) weeks of paid parental leave (at 100% of regular base salary) for the birth of a newborn child or the placement of a newly-adopted child. Paid Parental Leave for non-primary care givers must be taken within six (6) months following the birth or adoption of the child and cannot be taken on an intermittent or part-time basis.

### Definitions

"Parent" means any: (1) biological parent; (2) adoptive parent or (3) foster care parent.

"Primary Care Giver" means the Parent who has primary responsibility in terms of time and commitment for the care of the child. If an employee has a spouse, the employee will be considered to be the Primary Care Giver only if his or her spouse is working on a full-time basis while the employee is on leave.

"Non-Primary Care Giver" means a Parent other than a Primary Care Giver.

### Guidelines

A female employee has the option to begin using Parental Leave pre-birth if her doctor has determined she is disabled due to pregnancy.

Manager approval is needed for time off taken outside the parameters of current job-protected leaves such as the FMLA.

You are entitled to a maximum of one (1) Parental Leave in a twelve-month period.

If you wish to apply for paid Parental Leave you must complete a Parental Leave Application. At that time Human Resources will also notify you of any job-protected leaves you may be eligible for.

## **Personal Leave**

If you are not eligible for federal or state job-protected leave you may be granted personal leave for health or non-health related issues upon approval from your manager and Human Resources. If the leave is health-related, a Medical Certification is required stating the nature and duration of the medical situation at least two weeks prior to the start of the leave when practical. The Medical Certification must be

forwarded to Human Resources. If the leave is not health-related, a written request describing the need for Personal Leave must be submitted.

Any request for a leave of absence without pay must be submitted in writing as far in advance as possible. The request will be reviewed on a case-by-case basis by your manager and Human Resources.

When you return to work, the Company will make every effort to reinstate you to your former position or a similar position. If a position is not available at that time, the Company may, at its discretion, terminate your employment, subject to applicable law.

Any accrued Sick Bank and/or PTO hours may be used and will be applied against your Personal Leave. An unpaid leave will begin once all accrued Sick Bank and/or PTO hours have been used.

While on a Personal Leave of absence, your medical coverage will end as of the end of the month in which such leave begins. You will have the option of continuing your benefits by paying the monthly premiums as required by COBRA. Unemployment Insurance benefits cannot be collected while on a Personal Leave.

Any planned salary increase for an employee returning from a Personal Leave will be deferred by the length of the leave.

## **Military Leave**

If you are called into military duty or you enlist in the uniformed services, you will be eligible to receive an unpaid military leave of absence in accordance with applicable state and federal laws. III will not discriminate or retaliate against any individual because of past, current or future uniformed service obligations. III will not discriminate against any eligible employee who takes military leave under this policy, nor will the Company retaliate against anyone who protests any unlawful practice under the Uniformed Services Employment and Reemployment Rights Act (“USERRA”).

To be eligible for military leave you must submit your military service orders to Human Resources for review prior to commencement of the leave, unless you are prevented from providing such notice by military necessity or it is otherwise impossible or unreasonable for you to provide such notice.

If you have Reserve or National Guard duty obligations, you can apply for unpaid temporary military training leave of absence not to exceed the period of time allowed by law (including travel). You are requested to let your manager know as early as possible of the weeks you are scheduled to fulfill your military obligation.

During a military leave of less than 31 days, you are entitled to continued group health plan coverage under the same conditions as if you had continued to work. For military leaves of more than 30 days, you may elect to continue your health coverage as provided in the USERRA.

During a military leave of six (6) months or less, you will receive regular pay, less any pay received from the military. You may elect, but may not be required, to use accrued PTO in lieu of unpaid military leave.

Provided your absence does not exceed applicable statutory limitations, you will retain reemployment rights and accrue seniority and benefits in accordance with applicable federal and state laws.

This policy is intended to comply with USERRA and will be construed consistently with USERRA, any applicable federal regulations and any applicable state law and/or regulations.

For additional information about eligibility for military leave, please contact Human Resources.

## **Crime Victim/Witness Leave**

You are permitted unpaid leave to attend court proceedings, consult with a criminal prosecutor or exercise rights provided by law in the following circumstances:

- You or your next-of-kin is the victim of an offense, you are a deceased victim's representative or a good Samaritan or you are pursuing an application or enforcement of an order of protection under the criminal procedure law or family court act; or
- You are subpoenaed to attend a criminal proceeding as a witness.

You must notify the Company of your intent to appear as a witness prior to the day of attendance. You must provide written certification of your service by the party who sought your attendance. You may elect to use accrued PTO for this absence. Accrued Sick Bank Days cannot be used for this type of absence.

## **Blood Donation Leave**

If eligible, the Company will provide you either (i) one three-hour unpaid leave of absence per calendar year to donate blood during your regular work schedule at an off-premises location, or (ii) paid leave, without use of PTO, two times per year to donate blood at a blood drive, if available, at III or at a time and place set by the Company.

You are required to give reasonable notice of the need for leave for this purpose. If leave is for off-premises blood donation, you must provide notice at least three working days prior to the day on which leave will be taken. If leave is for blood donation at III or at a time and place set by III, you must provide notice at least two days prior to the day on which leave will be taken.

In accordance with state law, where your position is essential to the operation of the business, an extended notice requirement may be necessary.

Should you experience an emergency requiring that you donate blood for your own surgery or that of a family member; the Company will provide reasonable accommodations for a shorter notice period.

If you make a donation at an off-premises location you must furnish proof of such blood donation to Human Resources in the form of notice of blood donation or a good faith effort at blood donation from the blood bank or some other proof sufficient to the purpose.

## **Bone Marrow Donor Leave**

If you work at least 20 hours per week you are permitted an unpaid leave of absence of up to 24 work hours to undergo medical procedures relating to donating bone marrow or determining whether you are an appropriate bone marrow donor. The amount of time required for such procedures will be determined by a physician, but the amount of leave pursuant to this policy is limited to 24 work hours. You may elect to

use your accrued PTO or Sick Bank days for this absence. The Company will not tolerate any retaliation against you for requesting or obtaining leave pursuant to this policy.

## **California Pregnancy-Related Disability Leave and Accommodation**

Under California law, if you are disabled due to pregnancy, childbirth or a related medical condition, you are eligible for an unpaid leave of absence of up to four months for the period of such disability. When medically advisable, a Pregnancy Disability Leave may be taken intermittently or on a reduced work schedule. Multiple disability leaves for the same pregnancy will be combined for purposes of calculating the four months.

California employees may be entitled to transfer to a less strenuous or hazardous position, where such transfer is medically advisable because of pregnancy, childbirth or a related medical condition and can be reasonably accommodated. You also may be entitled to reasonable accommodation for a condition related to pregnancy, childbirth or a related medical condition upon request. A request for reasonable accommodation or transfer must be supported by the written certification of your health care provider that such an accommodation or transfer is medically advisable.

Pregnancy Disability Leave is generally unpaid. You may elect to use any accrued PTO during a Pregnancy Disability Leave. In addition, you may be eligible for state disability benefits during the leave, although generally you may not receive more than an amount equal to 100% of your salary from a combination of paid time and state disability benefits. The substitution of paid time for unpaid leave time and/or the receipt of disability benefits does not extend the maximum four-month Pregnancy Disability Leave period.

During an approved Pregnancy Disability Leave, III will maintain your group health benefits under the same conditions as if you had continued to be actively employed.

If possible, you must provide at least thirty (30) days' notice of your intention to take leave, or as much notice as is practicable under the circumstances. A request for leave must be supported by a medical certification from your health care provider.

Generally, upon return from an approved Pregnancy Disability Leave that does not exceed the maximum available leave; you will be reinstated to the same position or a comparable position, subject to any applicable exceptions. You will have no greater right to reinstatement or to other benefits and conditions of employment; however, than if you had not taken the Pregnancy Disability Leave. As a condition of returning from a Pregnancy Disability Leave, you must provide the Company with a certification from your health care providers that you are able to resume work.

## **Other State Leaves**

Subject to applicable state or local law, you may also be entitled to time off for reasons other than those described in this handbook. For information regarding time off for reasons that may be covered under state or local law, please contact Human Resources.

# **Employee Management**

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## Open-Door

Suggestions for improving III are always welcome. At some times, you may have a concern, complaint, suggestion or question about your job, your working conditions or the treatment you are receiving. Your good-faith complaints, questions and suggestions are of concern to the Company.

You are encouraged to discuss your concerns with your manager, the General Manager of your division, the head of Human Resources, the III Chief Compliance Officer in the Legal Department or the President of III.

In addition, III has established a Helpline at 1-888-301-1422 that can be called at anytime from anywhere in the United States and Canada, to report apparent ethical misconduct. If you wish, calls to the Helpline may be made anonymously. Anonymous calls will receive a tracking number, so that you may still check back to receive a response or provide more information. Giving your name, however, can help the Company investigate the matter appropriately.

This procedure, which we believe is important for both you and III, cannot guarantee that every problem will be resolved to your satisfaction. III values your observations and you should feel free to raise issues of concern. To the extent possible, III will treat all complaints and information obtained during the investigation in a confidential manner. Certain circumstances may require III to disclose such information, however, in order to conduct a full and fair investigation or for other legitimate legal or business reasons. You will not be retaliated against for utilizing this policy in good faith.

## Personnel File

To the extent provided by law, you may, upon request, examine certain documents in your own personnel file in the presence of a Company representative. Also upon your request, III will provide you with a copy of any documents that you have signed that are contained in your personnel file. You may add comments to any item in the file that you believe to be inaccurate.

If you are interested in reviewing your personnel records, contact Human Resources to make an appointment. These inspections must be prearranged for a mutually agreed upon time during normal business hours. Only Human Resources is authorized to release information about current or former employees.

### California Employees Only

In California, a current or former employee, or his or her authorized representative, has the right to inspect or receive a copy of the employee's personnel records in accordance with applicable law. For purposes of this policy, "authorized representative" means a person authorized in writing by you to inspect, or receive a copy of, one's personnel records. A request to inspect or receive a copy of personnel records must be made in writing to Human Resources. The request will be fulfilled within 30 days of Human Resources' receipt of a written request.

## Personnel Records

Employee personnel records will be maintained by III. To keep necessary records up-to-date, it is extremely important that you notify Human Resources of any change in:

- Name and/or marital status
- Address and/or telephone number (including cell phone)
- Number, name and birth date of dependents
- W-4 deductions
- Person(s) to be notified in case of emergency
- Citizenship status
- Visa or immigration status and/or the expiration date of any related document that authorizes the employee to work in the United States.

Any questions should be directed to Human Resources.

## **Employment of Relatives**

It is the policy of III to hire the best-qualified candidate for each job opening. Relatives of III employees will not be given special consideration, but will be considered for employment on the basis of their qualifications. Immediate family may not be hired, however, if employment would:

- Create a supervisor/subordinate relationship with a family member;
  - Have the potential for creating an adverse impact on work performance;
  - Create either an actual conflict of interest or the appearance of a conflict of interest;
- Or
- Create an organizational relationship where an employee handles financial transactions and his or her relative is responsible for control over those transactions.

This policy must also be considered when assigning, transferring or promoting an employee. For the purpose of this policy, an immediate family member includes a spouse, parent, child, sibling, in-law, aunt, uncle, niece, grandparent, grandchild and member of household.

Employees who are or who become immediate family members should notify Human Resources. Employees who become immediate family members may continue employment as long as it does not involve any of the above. If one of the conditions outlined should occur, attempts will be made to find a suitable position within III to which one of the employees will transfer. If employees become immediate family members, III will make reasonable efforts to assign job duties so as to minimize problems of supervision, safety, security and morale. If accommodations of this nature are not feasible, the employees will be permitted to determine which of them will resign. If the employees cannot make a decision, III will decide in its sole discretion who will remain employed with III.

## **Employee Property**

The Company reserves the right to require you to agree to the inspection upon reasonable suspicion of unauthorized possession of III property of your personal property, including but not limited to packages, purses, briefcases, backpacks and any other possession or article carried to and from Company property.

## **Job Posting Program**

III actively encourages you to seek out challenges and new opportunities.

### Policy Features

- Job openings for positions up to and including the manager level generally will be posted on the Intranet as they become available.
- Eligible employees will be given priority during the first five working days from the date the position is posted.
- External recruiting may take place simultaneously with the internal posting to expedite the placement process.
- III may exercise its discretion and not post a particular job opening.

### Procedures

- You should review the job description carefully prior to applying for a posted job.
- If qualified, you should submit a completed Job Posting Application and current resume to Human Resources.
- A representative of Human Resources must meet with you before you can be recommended to the hiring manager.

### Eligibility

- You must be a regular part-time or full-time employee of III or an ITOCHU Group subsidiary or affiliate.
- You must be in your current position for at least one year.
- You must have received at least a “Meets Expectations” rating on your latest performance review and must not currently be on a Performance Improvement Plan.
- You must meet the minimum requirements detailed in the job posting.

### Other

- The name of the employee who applies for a posted job will be released to only the hiring manager and members of Human Resources.
- A representative of Human Resources will notify you if you are not chosen for a posted job.

## **Background Checks**

III may verify information provided by candidates for employment through background checks and consumer reports.

The Company conducts background checks and consumer reports for candidates for employment, including candidates previously employed at III, in accordance with the guidelines outlined in the Fair Credit Reporting Act and applicable state and local law.

In certain circumstances, you may be subjected to subsequent background checks and/or consumer reports, at the request of a customer or for other business purposes.

## **Company Property**

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## **E-mail, Internet and Electronic Communications Policy**

III uses various forms of electronic communication, including but not limited to computers, e-mail, telephones, internet, cell phones and PDA's. All electronic communications, including all software, databases, hardware and digital files, remain the sole property of III and are intended to be used only for Company business. Any personal use should be kept to a minimum.

### Guidelines for E-Mail and Internet Use

The Company's electronic communications capacity is not unlimited. While the Company's e-mail system and connection to the internet may be used for incidental personal communications, they are provided for business purposes and may not be used to engage in or communicate about computer "hacking," on-line gambling, pornography, sale or distribution of controlled substances and interactive or other game playing; connecting, posting, downloading, transmitting or storing offensive material and/or harassing or discriminatory material prohibited under III's Equal Employment Opportunity and Non-Harassment policies; disabling or compromising the security of information contained on the Company's computers; or conducting or soliciting for political, personal, religious or charitable causes or other commercial ventures outside the scope of the user's employment and the user's responsibilities to the Company.

The electronic mail system is Company property and all copies of messages created, sent, received or stored on the Company's system are and remain the property of the Company. They are not the private property of any employee irrespective of any such designation either by the sender or the recipient (including designation as "private," "personal" or "confidential"). Further, the use of a password for security does not guarantee confidentiality. The existence of passwords and the "message delete" function do not restrict or eliminate the Company's ability or right to access electronic communications. E-mails containing proprietary information of the Company should not be forwarded to third parties unless such parties have a business reason for receiving such information as a result of their business relationship with the Company.

The Company maintains the right and ability to, and periodically will, monitor, review, audit, intercept and disclose, without notice to the employee, at any time and not necessarily in the employee's presence, all messages created, received, sent or stored over the electronic mail system or the Company's servers for any purpose, and the internet sites visited by individual users. By using the Company's computer systems you recognize the foregoing rights of the Company and consent to them. The contents of electronic mail may be disclosed within the Company and to third parties without further permission of the employee and at the Company's discretion.

Notwithstanding the Company's right to retrieve and read any electronic mail message, such messages should be treated as confidential by individual employees and accessed only by the intended recipient. No employee should attempt to gain access to a message of another person without the latter's permission. III may periodically assign and/or change passwords and personal codes for phones and computers. III reserves the right to keep a record of all passwords and codes used and/or may be able to override any such password system. File passwords and codes, including encryption keys, must be disclosed to the Company and no such password, code or key may be used that is unknown to the Company. Any exception to this policy must receive prior written approval from the Information Systems Department.

### Access/Usage

Unauthorized access to III's internal system is prohibited. To ensure security and to avoid the spread of viruses, employees accessing the internet through a computer attached to III's network must do so through an approved internet firewall which blocks all unauthorized incoming traffic with the exception of e-mail. Accessing the internet directly by modem is strictly prohibited unless the computer you are using is not connected to III's network. If unauthorized access is detected, the employee should contact the Information Systems Department immediately.

All confidential, copyrighted and/or proprietary information that is stored electronically must be treated with the same degree of care as if it were in written form. Unauthorized copying (or copying that the Company determines does not constitute a fair use) of any copyrighted materials, including software, is strictly prohibited. Users must treat confidential and proprietary information belonging to either the Company or a counterparty (including but not limited to financial data, trade secrets or any other nonpublic information) with the same high level of care required for handling similar material in written form.

Employees who use devices on which information may be received and/or stored, including but not limited to cell phones, cordless phones, portable computers, fax machines and voice mail communications, are required to use these methods in strict compliance with the trade secrets and confidential communication policy established by the Company. These communications tools should not be used for communicating confidential or sensitive information or any trade secrets.

Employees may not install personal software on Company computer systems or Company-provided laptops. Employees may not agree to a license or download any material for which a registration fee is charged without first obtaining the express written permission of the Information Systems Department. No employee may install or use anonymous e-mail transmission programs or encryption of e-mail communications, except as specifically authorized by the Information Systems Department.

Files obtained from any source outside III, including disks brought from home, files downloaded from the internet, news groups, bulletin boards or other online services, files attached to e-mail and files provided by customers or vendors, may contain dangerous computer viruses that may damage III's computer network. Employees should never download files from the internet, accept e-mail attachments from outsiders or use disks from non-III sources, without first scanning the material with III-approved virus checking software. If you suspect that a virus has been introduced into III's network, you shall notify the Help Desk immediately.

### Public Representation

All communications on the internet from the III accounts are "Official III communications." Personal opinions expressed on the internet from the III accounts are not allowed. Statements of personal opinion should be made only from personal Internet accounts. Any information about III, its products or services or other types of information that will appear in the electronic media about the Company must be approved by the Corporate Communications Department before the information is placed on an electronic information resource that is accessible to others.

### Other Forms of Electronic Communications

#### Voice Mail

All telephone communication systems and all information stored in these systems are the property of the Company. The voice mail system is made available for business purposes only. No message input into

the system is a private communication. The Company reserves the right to access, review, and copy or delete messages on its voice mail system. Voice mail messages should be forwarded to persons on a business need-to-know basis only.

#### Electronic Calendars

All electronic communication systems and all information stored in these systems are the property of the Company. The calendar system is made available for business purposes only. No message input into the system is a private communication. The Company reserves the right to access, review, copy or delete any messages on its calendar or computer systems, including those stored on individual employees' computers or workstations and related media. Calendar entries should be restricted to persons on a business need-to-know basis only.

A violation of this policy is a serious breach of the Company's standards of conduct. A person who acts inconsistently with this policy is subject to disciplinary action ranging from revocation of access to the internet up to and including termination of employment. In some circumstances, the person may also be subject to potential civil and/or criminal penalties.

## **Social Media**

To assist you in making responsible decisions about use of social media, III has established these guidelines.

#### 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 chat room, whether or not associated or affiliated with the Company, as well as any other form of electronic communication.

The same principles and guidelines found in our Company policies apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider the risks involved. Keep in mind that any of your conduct that adversely affects your job performance or the performance of fellow employees or otherwise adversely affects customers, suppliers, vendors, people who work on behalf of the Company or the Company's legitimate business interests may result in disciplinary action, up to and including termination.

#### Know and Follow the Rules

Carefully read these guidelines, the Email, Internet and Electronic Communications Policy, the Equal Employment Opportunity Policy and the Anti-Harassment Policy 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 and may subject you to disciplinary action, up to and including termination.

#### Be Respectful

Always be fair and courteous to fellow employees, customers, suppliers, vendors and people who work on behalf of the Company. Also, keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers or by utilizing our Open Door Policy 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, and threatening or intimidating, that disparage customers, suppliers or vendors, 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 one's status as a member of a Protected Category.

### 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, fellow employees, customers, suppliers, vendors, and people working on behalf of the Company or competitors.

### Post Only Appropriate and Respectful Content

- Maintain the confidentiality of Company trade secrets and private or confidential information. Trade 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 any person so that he or she may buy or sell stocks or securities.
- Do not create a link from your blog, website or other social networking site to a Company website without identifying yourself as a Company employee.
- Express only your personal opinions. Never represent yourself as a spokesperson for the Company. If the Company is a 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, fellow employees, customers, suppliers, vendors or people working on behalf of the Company. If you do publish a blog or post online related to the work you do or subjects associated with the Company, 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 ITOCHU International Inc."

### Using Social Media at Work

Refrain from using social media while on work time or on the Company's equipment. Do not use Company e-mail addresses to register on social networks, blogs or other online tools utilized for personal use.

### Retaliation is Prohibited

The Company prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation in good faith. Any employee who retaliates against another employee 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 without contacting III's Public Relations Specialist and/or the General Manager of Human Resources. All media inquiries should be directed to them.

### For More Information

If you have questions or need further guidance, please contact Human Resources.

## **Solicitation and Distribution of Literature**

To ensure efficient operation of the Company's business and to prevent disruption to employees, we have established control of solicitations and distribution of literature on Company property.

Absent specific approval from Human Resources, you are not permitted to solicit or promote support for any purpose, commercial pursuit, cause or organization while on working time. "Working time" is defined as periods when you are working or should be working.

You are not permitted to distribute or circulate any non-III literature, including circulars and other printed materials, during working time or in work areas at any time.

You are not permitted to use Company communication channels such as bulletin boards, voice mail, interoffice mail and e-mail for solicitation or distribution purposes. Further, solicitation or distribution of literature that is discriminatory, hateful, illegal, defamatory, profane or obscene is prohibited at all times.

Under no circumstances will non-employees be permitted to solicit employees or to distribute literature on III's premises for any purpose at any time.

## **Company Property**

Desks, computers and other Company equipment are III property and must be maintained according to Company rules and regulations. They must be kept clean and are to be used only for work-related purposes. III reserves the right to inspect all Company property to ensure compliance with its rules and regulations, without notice to you, at any time and not necessarily in your presence.

Prior authorization must be obtained before any Company property may be removed from the premises.

For security reasons, you should not leave personal belongings of value in the workplace. Personal items are subject to inspection and search, with or without notice and with or without your prior consent.

If your employment terminates, you should remove all personal items at the time you leave III. Personal items left in the workplace are subject to disposal if not claimed at the time of your termination.

## **Bulletin Boards**

Bulletin boards maintained by III are to be used only for posting or distributing material of the following nature:

- Notices containing matters directly concerning III business; and
- Announcements of a business nature which are equally applicable and of interest to employees.

All material to be posted on or removed from Bulletin Boards must be approved by Human Resources.

## **Employee Conduct**

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## **Employee Relations Helpline**

The Company has established a Helpline at 1-888-301-1422 that can be called at anytime from anywhere in the United States or Canada to report apparent ethical misconduct. If you wish, calls to the Helpline may be made anonymously. Anonymous calls will receive a tracking number so that you may still check back to receive a response or provide more information. Giving your name, however, can help the Company investigate the matter appropriately. In addition, the Company has a firm policy against any retaliation for raising legal or ethical concerns in good faith.

## **Conflicts of Interest**

III expects you to conduct business according to the highest ethical standards of conduct. Therefore, you may not engage in activities that could give rise to a conflict of interest or the perception of a conflict of interest with your employment. You should also be aware of situations where no conflict actually exists, but where circumstances could give rise to a perception of a conflict of interest. Should you find yourself facing a conflict of interest, actual, potential or perceived, you are obliged to report this to your manager or the Chief Compliance Officer or the Legal Department, who will determine whether such a conflict exists. A violation of this policy will result in immediate and appropriate discipline, up to and including termination.

Please note that all questions arising about Conflict of Interest should be referred to the Chief Compliance Officer or the Legal Department. The Legal Department has responsibility for considering the legal implications of any business activity and, therefore, the time to involve the Legal Department is at the planning stage of a transaction or deal rather than after a problem arises.

## **Confidentiality**

As a condition of your employment, you are required to execute the Company's Non-Disclosure and Confidentiality Agreement.

## **Outside Employment**

While employed by III, you are expected to devote your energy to your job with the Company. You may not engage in any outside work or business activity that interferes with the performance of your responsibilities to III. This precludes you from: (1) engaging in any outside employment during Company business hours; and (2) engaging in any outside employment relating directly or indirectly to III's business, whether or not during Company business hours. If you wish to serve in an advisory capacity for a for-profit organization or wish to serve on the board of any organization you must first obtain approval from the General Manager of your division. Approval will be granted based on the type of activity involved and any interference with your regular work schedule.

If you have questions about outside employment, you may contact the Chief Compliance Officer or the Legal Department.

## **News Media Contacts**

All media inquiries must be referred to III's Public Relations Specialist and/or the General Manager of Human Resource. No employee, unless specifically designated by the CEO, is authorized to make or approve any public statement pertaining to the Company, its organization or its operations.

## **Dress Code and Other Personal Standards**

We are a Company built on relationships. During any given week, employees in our corporate office hold meetings with clients, customers, vendors, prospective investors and other business associates. It is important that we provide a professional and respectful environment reflective of our worldwide business.

You are expected to wear clothing appropriate for the nature of our business and the type of work performed. Clothing should be neat, clean and tasteful. During most of the year we have a business attire with "tie optional" dress code. This includes suits, dress pants, dresses and skirts.

The Company observes "smart casual" dress on Fridays. From time to time, at the discretion of senior management, smart casual may be observed for extended periods, such as during the summer months. Smart casual includes collared knit shirts, button-down shirts, khakis or chino pants. Jeans and casual shoes are permitted.

Graphic tee shirts, tank tops, jeans that are ripped or frayed, shorts, athletic shoes, and flip flops are not appropriate in our workplace. Any questions regarding the dress code should be directed to Human Resources.

## **Accuracy of Information**

You are responsible for providing and maintaining accurate information to and for III. III relies on the accuracy of information provided and maintained by its applicants and employees throughout the hiring process and during of any subsequent employment.

Employees and applicants must provide true, complete and accurate information in response to all requests and interactions with III, subject to applicable laws.

You must participate completely and honestly in workplace investigations and divulge all pertinent information.

Violations of this policy including but not limited to, misrepresentations, falsifications, material omissions and failure to update your contact (address and phone number) information may result in disciplinary action, up to and including termination.

## **Criminal Convictions and Disclosure Requirements**

Subject to any limitations under applicable federal, state or local law, anyone who is arrested for or convicted of a felony or misdemeanor must immediately notify Human Resources. Failure to disclose such information may lead to disciplinary action, up to and including termination.

## **Safety and Health**

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## **Inclement Weather/Natural Disasters**

Each employee of III is expected to make every effort to arrive at work whenever the office is open and the employee can get there safely, even during times of inclement weather. The Company will remain open during these times unless you are notified otherwise. Additionally, you can call III's Emergency Information Line at (212) 818-8200 for a status update in case of bad weather or natural disaster.

## **Safety**

III is committed to the safety and health of all its employees. Maintaining a safe and healthy work environment, however, requires the continuous cooperation of all employees. To help us maintain a safe workplace, everyone must be safety-conscious at all times.

If you sustain a work-related accident, injury or illness, you must report it immediately to your manager, as it may be covered by the workers' compensation insurance carried by III. Your manager is responsible for notifying Human Resources of the incident.

Failure to report a work-related accident, injury or illness may jeopardize your rights to collect workers' compensation payments.

## **Violence in the Workplace**

Any act or threat of physical violence, including intimidation, harassment or coercion, that involves or affects the Company or that occurs on Company property or in the conduct of the Company business off Company property, will not be tolerated. This prohibition against threats and acts of violence applies to all persons involved in Company operations, including but not limited to Company personnel, contract workers, temporary employees and anyone else on Company property or conducting Company business off Company property.

Any instance of violence must be reported to your manager and/or Human Resources. Any person who engages in workplace violence will be removed from the premises immediately and may be required, at the Company's discretion, to remain off the premises pending the outcome of an investigation of an incident. The Company will decide what disciplinary actions will apply, up to and including termination and/or legal action.

Please refer to III's Code of Conduct for more information.

## **Weapons Policy**

ITOCHU is committed to ensuring a safe environment. To that end, weapons are prohibited at all times from Company premises (including parking facilities), and Company-owned or leased vehicles, while engaged in Company business and when at a Company-sponsored function, regardless of whether the weapon is registered or the employee is licensed, to the extent allowed by applicable law. Prohibited weapons include, without limitation, any firearm, explosive, knife (with a blade of three inches or longer), fighting weapon or other dangerous weapon.

ITochu management reserves the right to question employees and to search any Company property and any person and personal effects on Company property (such as vehicles, desks, briefcases, purses, packages and knapsacks) for weapons or illegal drugs. Employees and visitors consent to such questioning and search. Any illegal substances or items will be confiscated and turned over to the appropriate authorities.

Violation of the weapons-free policy will subject an employee to disciplinary action, up to and including immediate termination. An exception to the weapons policy will be permitted only if the Company's General Manager of Human Resources has provided prior written permission.

Please refer to III's Code of Conduct for more information.

## **Drug and Alcohol Abuse**

III is concerned about the use of alcohol, illegal drugs and controlled substances as it affects the workplace. Accordingly, III encourages you to refrain from the use of unauthorized controlled substances altogether. Selling, purchasing, using, consuming, possessing, manufacturing, distributing, dispensing or transporting unauthorized controlled drugs or substances of any kind on III's premises or during work time is prohibited. Moreover, reporting to work or driving a Company vehicle while under the influence of alcohol or a controlled drug or substance of any kind is prohibited. Engaging in any of these activities will result in disciplinary action, up to and including termination.

Furthermore, the proper use of prescription drugs and/or over-the-counter drugs also may affect your job performance and may seriously impair your ability to perform your job safely and effectively. If you are using prescription or over-the-counter drugs that may impair your ability to safely and effectively perform your job, or that affect the safety or wellbeing of others, you must report this fact to your manager.

In certain circumstances and consistent with applicable law, the Company may conduct a search for illegal or prohibited substances on III premises and you may be asked to empty the contents of clothing, pockets, purses, briefcases, desks, lockers or other containers. In certain circumstances and consistent with applicable law, you may also be asked to undergo drug testing. Refusal to allow a search, to permit confiscation of suspected material or to participate in drug testing may be considered insubordination and cause for termination.

In the event that you are convicted in a federal or state court for a violation of any criminal drug statute occurring in the workplace or on Company business, you must notify Human Resources of the conviction within five (5) days of such conviction or your employment will be automatically terminated.

If you have any questions regarding this policy or issues relating to drug or alcohol use in the workplace you may contact Human Resources.

## **Smoking**

The Company is committed to providing a safe and healthy environment for you and our visitors. Smoking is prohibited in all indoor areas of Company premises, including private enclosed offices, hallways, bathrooms and conference and meeting rooms, before, during and after working hours. The Company will also adhere to all restrictions required by law.

## **Recreational Activities and Programs**

Neither III nor its insurer will be liable for payment of any workers' compensation benefits for any injury that arises out of your voluntary participation in any off-duty recreational, social or athletic activity that is not part of your work-related duties.

## **Termination of Employment**

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## **Voluntary Termination**

Voluntary termination results when you voluntarily resign from your employment at III, or you fail to report to work for three consecutively scheduled workdays without notice to, or approval by, your manager. If you wish to terminate your employment with III, we request that you advise your manager and Human Resources as soon as you have made that decision. If possible, III would like to have at least a 2 week notice before you terminate your employment.

## **Discipline and Involuntary Termination**

Violation of III policies and rules may warrant disciplinary action. Disciplinary action may include a verbal warning, written warning, suspension with or without pay and/or termination of employment. III may, in its sole discretion, utilize whatever form of discipline it deems appropriate under the circumstances. III does not guarantee that one form of disciplinary action will necessarily precede another. Prior notification is not a prerequisite for termination or other disciplinary action. The Company's policy on discipline in no way limits or alters the at-will employment relationship.

## **Return of Property**

Before termination of the employment relationship, you must return to the Company all III property that may have been issued, including but not limited to keys, cell phone, computer equipment, identification badge, and credit cards.

## **Health Benefits After Termination**

When your employment with the Company ends, you generally have the right under the Consolidated Omnibus Reconciliation Act of 1985 ("COBRA") to continue medical and dental insurance coverage for up to 18 months for you and your eligible dependents who were covered by such plans at the time of such termination. To continue such coverage, you must elect to do so within 60 days of the termination of coverage as an employee and submit the appropriate paperwork. Generally you must pay the full premium for such continuation coverage. For additional information, please contact Human Resources.

## **Rehiring Former Employees**

If you are rehired following a break in service in excess of 180 days, you are considered to be a new employee from the effective date of your reemployment for all purposes, including the measuring benefits, with the exception of 401(k), retirement benefits and service awards.

## **Employee References**

All inquiries regarding a current or former III employee must be referred to Human Resources. No one outside of Human Resources is authorized to release any information about a current or former employee. Under no circumstances should you release any information about any current or former III employee over the telephone. You may not issue a reference letter regarding any current or former employee without the permission of Human Resources.

## **Exit Process**

All separating employees are to complete the Company's standard III Human Resources separation process prior to their departure, including providing the Company with forwarding address information, settlement of any outstanding financial obligations and return of Company/client issued property. A Separation Checklist form will be utilized to assist in completing this process. Human Resources will schedule an exit interview with you prior to your last day of employment.



## Acknowledgement

I acknowledge that I have received my copy of the ITOCHU International Inc. Employee Handbook. I understand that:

- It is my responsibility to familiarize myself with and understand all of the information contained in this Employee Handbook;
- This Handbook is neither an employment contract nor an agreement to continue the policies or benefits discussed in the handbook for any specified period of time. Except for the policy of at-will employment, III has the right to revise, supplement or rescind the policies described in this handbook or to modify or deviate from any of them at any time without notice, at III's sole discretion. III intends to make such revisions in writing and to provide the revisions to its employees within a reasonable time prior to their implementation;
- I may voluntarily resign my position at III, and III may terminate my employment at any time, with or without notice, for any reason or no reason at all. The at-will nature of my employment with III cannot be changed except by a written document signed by III's General Manager of Human Resources;
- Immediately upon the termination of my employment with III, I shall return all III-owned property, including but not limited to confidential or proprietary business information of III, computer files, diskettes, documents (electronic or otherwise), computer databases, manuals, computer equipment, computer software, files, money, securities, keys, credit cards, handbooks, financial and other reports, notes and all other information or property obtained or used by me in the course of my employment and delete all such information I have stored or accessible electronically;                      and
- This acknowledgment must be signed and returned to Human Resources within 7 days of my start date or receipt of the Handbook, whichever is later.

Employee Name (please print) \_\_\_\_\_

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

Date \_\_\_\_\_



# Appendix 1

## Matching Gifts Program

### Eligible Donors

Participation in the ITOCHU International Inc. Matching Gifts Program is open to all active, regular full-time employees of III.

### Eligible Gifts

To be eligible for matching by III under the Matching Gifts Program, gifts must be personal contributions (not pledges) made directly to an eligible organization in cash or by credit card.

### Matching

Each eligible gift must be a minimum of twenty-five dollars (\$25) in order to be matched. III will match eligible gifts up to one thousand dollars (\$1,000) per employee per calendar year (or, for employees at the Senior Vice President level or above, three thousand dollars (\$3,000)).

If an employee contributes to more than one eligible organization in a single calendar year, gifts will be matched in the order received, up to the applicable annual limit.

### Eligible Organizations

Non-profit organizations eligible for matching gifts must be recognized as tax-exempt by the United States Internal Revenue Service - Section 501(c)(3) of the Internal Revenue Code - and must not be a private foundation. The employee must furnish a receipt evidencing his or her donation and the recipient organization's tax-exempt status.

### Eligible organizations include:

Accredited educational institutions (Education)

Non-profit, voluntary hospitals accredited by the Joint Commission on Accreditation of Hospitals/Healthcare Organizations (Community)

Organizations whose primary focus is the delivery of healthcare (e.g., visiting nurses) or to undertake research (Community, Medical Research)

Cultural organizations - tax-exempt public broadcasting stations, performing arts groups, symphony orchestras, opera companies, zoos/arboretums, museums (Community, Arts)

**Not Eligible**

Religious organizations, unless they furnish basic human services benefiting the general public

Political or fraternal organizations

Education institutions for non-academic purposes, such as athletics, recreational activities, fraternities, sororities or clubs

Gifts in lieu of tuition, subscription fees, membership dues or other personal financial obligations

Bequests, memorials

Professional associations, federal campaigns (including The United Way)

**Payment**

Matches are paid directly to the organization and are processed as requests are received. We encourage you to make your donations by early December.

## **Appendix 2**

# **Tuition Assistance Program**

The III Tuition Assistance Program provides eligible Employees with the opportunity to maintain and improve job-related capabilities through participation in graduate degree programs at accredited institutions.

### **Eligible Courses of Study**

Any course of study under the Tuition Assistance Program must:

- Be a formal academic program to obtain a graduate degree (example: MBA);
- Require formal application and acceptance to the degree program;
- Be offered by an accredited institution;
- Bear a direct relationship to the Employee's current job (content is of direct and significant assistance in carrying out present and anticipated duties and responsibilities).

The above are the basic requirements for any program of study to qualify for the Tuition Assistance Program. However, meeting these requirements alone does not guarantee approval for any given program of study. III Management has full discretion to approve or reject any application for the Tuition Assistance Program for any reason.

[Note: In principle, reimbursement for any professional development program other than a graduate degree program (i.e. seminars, conferences, certificate programs, individual undergraduate or graduate level courses, executive education programs, etc.) is subject to approval and administrative oversight by the given Employee's Division General Manager. Any Employee interested in programs of this nature should consult directly with their Division General Manager. For in-house training offered by III, please contact the HR&GA Division.]

### **Assistance Provided**

For any Employee participating in the Tuition Assistance Program, III will reimburse the Employee for 100% of the costs of tuition up to ten thousand dollars (\$10,000) in any twelve (12) month period. Reimbursements within such a twelve-month period will only be made for coursework completed during that same twelve-month period. Reimbursements will be made upon successful completion of individual courses in the degree program. Only tuition will be reimbursed. Reimbursement will not be made for any other expenses, such as books, registration or application fees.

## **Employee Eligibility**

To be eligible to participate in the Tuition Assistance Program, an Employee must:

- Be actively employed on a full-time basis for a minimum of six (6) months;
- Have an overall performance rating of at least “Achieves Expectations” at all times prior to and during participation in the Tuition Assistance Program;
- Not be subject to any warning or other disciplinary action prior to and during participation in the Tuition Assistance Program.

## **Required Approvals**

In order for an Employee to participate in the Tuition Assistance Program, prior approval for their program of study is required from:

- Their immediate supervisor
- Their Division General Manager (if different than immediate supervisor)
- General Manager of HR&GA Division
- General Manager of Corporate Planning Division

## **Conditions for Reimbursement**

In order to receive reimbursement for specific completed coursework, an Employee must:

- Be an active, full-time Employee at the time of course completion and reimbursement;
- Achieve a grade of “B” or better, or a “Pass” if the course is taken on a Pass/Fail basis;
- Ensure that the educational activities do not interfere with their work and performance;
- Complete the application and approval process for reimbursements, described below.

## **Application and Approval Process (1): Tuition Assistance Program**

In order to receive tuition assistance, an Employee first must apply for and receive approval for their participation in the Tuition Assistance Program. This is a one-time process that must be completed prior to enrollment in the degree program.

To apply for the Tuition Assistance Program, the Employee must, in advance of registering for the degree, send to the HR&GA Division for final review and approval:

- a completed Tuition Assistance Application with all required signatures

- a completed Tuition Reimbursement Agreement with all required signatures
- a written explanation from the Employee's immediate supervisor of the business need and expected benefits of the Employee's participation in the Tuition Assistance Program
- an official description of the degree program from the institution
- an official statement of the tuition from the institution

The Employee must also submit to the HR&GA Division official proof of acceptance into the degree program as soon as it becomes available.

[Note: Failure to submit the completed Tuition Assistance Application and accompanying documents described above to the HR&GA Division before registering for a degree program may result in the denial of reimbursement. Any applications submitted without proper signatures of approval, or submitted at the time of course completion, will not be approved. ]

### **Application and Approval Process (2): Reimbursements**

At the point that an Employee successfully completes specific coursework in their degree program, III will reimburse the Employee for that coursework. Thus, reimbursements typically are made on an on-going basis at the end of each semester that coursework is completed.

To apply for reimbursement for specific completed coursework, an Employee must:

- Send a completed Tuition Reimbursement Request form to the HR&GA Division;
- Attach proof of payment by the Employee for the given segment of study;
- Attach the final grade(s) for the given segment of study.

The above should be submitted to the HR&GA Division promptly after the completion of the coursework that is to be reimbursed. The HR&GA Division will process all reimbursement requests.

### **Return of Reimbursed Funds**

Any Employee who receives tuition reimbursement for a graduate degree program is expected to remain at III for a minimum of two (2) years after obtaining the degree. An Employee who voluntarily leaves III within one (1) year after receiving tuition reimbursement must return to III reimbursements made to the Employee within one (1) year preceding their departure date at 100%. An Employee who voluntarily leaves III within two (2) years after receiving tuition reimbursement must return to III reimbursements made within two (2) years of the departure date at 50%. Employees are under no obligation to return reimbursements after two (2) from the date of the last reimbursement.

The above requirements for continued employment at III and repayment of tuition will apply in full regardless of the share of the total amount of tuition that ultimately is reimbursed by III. Thus, in the event that an Employee himself bears some portion of the total amount of the tuition paid and does not request reimbursement from III for this portion; the above requirements will still apply. This is applicable to the cases both of completed and uncompleted degrees.

All Tuition Assistance Program payments that are to be returned by the Employee under this policy must be repaid to III by the last day of employment, unless otherwise agreed to in writing by the GM of the HR&GA Division and GM of the Corporate Planning Division.

Further details about repayment requirements are outlined in the Tuition Reimbursement Agreement.

### **Taxes**

Any amount of tuition reimbursed that exceeds federal guidelines may be taxable income to the Employee and subject to employment taxes.

### **Disclaimer**

III reserves the right to change, amend or discontinue this policy at any time. No such change, amendment or discontinuation, however, will affect any assistance previously approved and on file with the HR&GA Division.