



TRIPLE-S STEEL HOLDINGS, INC.

And Subsidiaries

EMPLOYEE HANDBOOK

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INTRODUCTION TO THE EMPLOYEE HANDBOOK

It is our privilege to submit to you the latest version of our employee handbook (the "Handbook"). Many of you have been with Triple-S for many years, and have seen the company grow. From a small company with about a dozen employees, to the company we are today, with over 800 employees, we have grown together. In the old days, policies could be, and often were, much more casual. Today, due as much to government regulation as to the growth of the company, we must clarify many of these policies to you in this Handbook.

Each of you was chosen to work for us because of your unique skills and talents. We hope that this Handbook helps you understand the policies and procedures that will enhance your career at the company and provide a framework to you for our decision making.

This Handbook has been developed with several overarching policies which reflect the sentiment of the company and the Stein family.

- You will always be treated with respect.
- Ethical and moral behavior is expected of each employee.
- As a family that works together, we understand and appreciate the importance of family.

As always, please don't hesitate to provide us with your comments and questions. We are glad you are part of our ever expanding company. Good luck with your career here, and thank you for your contributions every day.

Sincerely,



Gary W. Stein
President



David Stein
Vice-President

This Handbook applies to the employees of Triple-S Steel Holdings, Inc. and its subsidiaries. This Handbook replaces any prior versions.

We have done our best to correctly explain the policies, procedures, and benefits in all sections of the Handbook. However, if these pages inadvertently contain anything that disagrees with formal plans, including the Summary Plan Descriptions, policy statements, legal documents, or state and federal laws, those formal documents and laws are the ones we have to follow in the administration of our programs. The Company reserves the right to change any policies or procedures in the Handbook as operational needs dictate with or without notice.

This Handbook is considered confidential Company property. It is for you to use only in the course of employment with the Company.

DISCLAIMER OF CONTRACT

Rules and regulations are necessary to operate a safe and efficient workplace. The provisions of this Handbook apply to all employees of the Company, except where otherwise noted, and replace all prior employment policies and practices. Nothing in this Handbook is intended to create a contract of any kind between you and the Company. All employees are “at-will” employees. You or the Company may terminate the employment relationship at any time, with or without notice, for any reason other than an unlawful, discriminatory reason. Only the President has the authority to enter into an agreement of employment for any specified period of time or to make any agreement contrary to this at-will policy; and any such contract must be a contract in writing signed by you and the President of the Company. No oral statements or representations can change any of the provisions of this Handbook. Nothing in this Handbook, including this provision, impacts your ability to engage in concerted activities regarding the terms and conditions of your employment under the National Labor Relations Act.

MANAGEMENT RIGHTS

The Company reserves the right to direct and control the operation of its business including, but not limited to, the management, assignment, scheduling, and direction of the workforce as well as the right to discipline or discharge employees for any lawful reason. The Company reserves the right to change, amend, delete, or otherwise alter the policies, procedures, benefits, and other information referred to in this Handbook at any time, at its sole discretion, without or without notice to you. Continued employment after the Handbook is, or any future changes are, adopted constitutes acceptance of all such Company policies.

EQUAL EMPLOYMENT OPPORTUNITY AND ANTI-HARASSMENT/ANTI-DISCRIMINATION POLICY

The Company subscribes to a policy of equal opportunity in employment. The Company does not permit discrimination, harassment, or retaliation on the basis of race, color, sex, age, religion, national origin, disability; pregnancy (including childbirth, or pregnancy-related conditions); genetic information; sexual preference, gender identity, military status (past, present or future); an individual’s complaint of discrimination, filing a charge of discrimination, participation in an investigation, or opposition to alleged discriminatory practices; or membership in any other category protected by federal, state or local law. This policy applies to all aspects of employment, including, but not limited to, recruitment, hiring, compensation, training and apprenticeship, promotion, upgrading, demotion, downgrading, transfer, layoff, termination, and all other terms and conditions of employment. All employment-related decisions are based solely on relevant criteria, including, but not limited to, training, experience, performance, and suitability.

ADMINISTRATION OF POLICY

The Company is committed to administering all employment-related matters in accordance with the principles of equal opportunity. The Company also expects that you will abide by its Equal Employment Opportunity Policy.

ANTI-HARASSMENT POLICY

The Company is committed to providing a workplace that is free from conduct of a harassing nature. Any such harassment is against the Company’s policy, could be a form of illegal discrimination, and will not be tolerated. Violation of this policy will subject you to disciplinary or corrective action up to and including termination.

Conduct, whether verbal or physical, will be considered harassment if it shows hostility toward an individual because of his/her actual or perceived race, color, sex, age, religion, national origin, disability; pregnancy (including childbirth or pregnancy-related conditions); genetic information; military status (past, present or future); an individual’s complaint of discrimination, filing a charge of discrimination, participation in an investigation, or opposition to discriminatory practices; or his/her membership in any other category protected by federal, state or local law, and if it:

- has the purpose or effect of creating an intimidating, hostile or offensive work environment;
- has the purpose or effect of unreasonably interfering with an individual’s work performance;
- or otherwise adversely affects an individual’s employment opportunities.

SEXUAL HARASSMENT

Sexual harassment is a form of illegal sex discrimination. The Company will not tolerate any form of sexual harassment in the workplace. Violation of this policy will subject you to disciplinary or corrective action up to and including termination.

Sexual harassment is defined as harassment based on sex, as described above, and also includes any unwelcome sexual advances, requests for sexual favors or other conduct of a verbal or physical nature when:

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

For example, sexual harassment can include, among other things, unwelcome propositions, flirtations, and requests, whether express or implied, for sexual favors. It can also include other unwelcome verbal, visual, or physical conduct of a sexual nature, such as unnecessary touching of an individual, graphic or verbal commentary about an individual's body, sexually degrading verbal abuse, a display in the workplace of sexually suggestive objects or pictures, sexually explicit or offensive jokes, and physical assault.

No supervisor or other employee shall threaten or insinuate that another employee's or applicant's refusal to submit to sexual advances will adversely affect any condition or privilege of that person's employment. Similarly, no employee shall promise, imply or grant any preferential treatment to another employee or applicant in exchange for engaging in sexual conduct.

PROTECTION AGAINST DISCRIMINATION, HARASSMENT AND RETALIATION

If you believe that you have been a victim of discrimination or harassment, including, but not limited to, any of the conduct listed above, by any supervisor, management official, other employee, customer, supplier, or any other person in connection with your employment at the Company, you should bring the matter to the immediate attention of your supervisor. If that would prove to be uncomfortable (as, for example, if the supervisor is the alleged harasser), you should directly contact a Vice President, the Human Resources Director, or Gary or David Stein. Likewise, if you witness discrimination or harassment directed at other employees, you should immediately report any such incidents to your supervisor, a Vice President, the Human Resources Manager, or Gary or David Stein.

Under no circumstances will you be subjected to any form of reprisal or retaliation on account of having made a report of an alleged incident of discrimination or harassment or cooperating in an investigation of such a report. If you feel that you have been subjected to such reprisal or retaliation, you should report the incident to your supervisor, a Vice President, the Human Resource Manager, or Gary or David Stein.

All allegations of discrimination, harassment or retaliation will be taken seriously and will be promptly investigated in as confidential a manner as possible, although complete confidentiality cannot be guaranteed. Failure to fully cooperate in such an investigation will result in disciplinary or corrective action up to and including termination. If you, after an investigation, are determined to have engaged in any form of discrimination, harassment or retaliation in violation of this policy, you will be subject to appropriate disciplinary action, up to and including termination.

DISABILITY ACCOMMODATION

The Company will comply with the regulations and requirements of the Americans with Disabilities Act of 1990, as amended (the "ADA"), and local and state law. Qualified individuals with disabilities are entitled to a reasonable accommodation in the workplace. If you believe that you have a disability and require an accommodation, you must inform your supervisor or the Human Resources Department. The Company will engage in an informal interactive process with you to clarify the nature of your disability, to identify your needs, and, if necessary, to identify an appropriate, reasonable accommodation, if practicable. The Company is not required to provide you with the accommodation of your choice, as long as the accommodation provided by the Company is reasonable. Any accommodation that requires the Company to suffer an undue hardship is not a reasonable accommodation. Modified duty or time off required to accommodate a covered disability will not count against you as an incident of

absenteeism or tardiness. If any other Company policy or practice conflicts with this policy, this policy and the ADA will prevail.

If you have questions regarding the application of these laws to your situation, you may discuss them confidentially with the Human Resources Department or your supervisor. Any information regarding a disability will be kept confidential and will not be disclosed except on a need-to-know basis and in accordance with the ADA.

CONFIDENTIAL INFORMATION

You may, in the regular course of employment with the Company, be involved with the creation, transmittal, and handling of, and have access to, and/or be provided with information belonging to the Company or its customers or vendors which is of a confidential, private, trade secret and proprietary nature. This information will be referred to as "Confidential Information." This Confidential Information shall include all ideas, materials, information, data, methods, or plans developed or used by or in the possession of the Company, whether pertaining to or belonging to the Company or its customers or vendors, which is not publicly known outside of the Company or intended to be known publicly and outside of the Company. Confidential Information includes all information regarding the Company's (and its customers' or vendors') customers, contracts and all of their terms, financial affairs, marketing, business strategies, pricing, products, computer programs, software, specifications, properties, manufacturing processes, purchasing, formulas, data, procedures, forecasts, budgets, developments, designs, improvements, inventions, methods of doing business, services, customers' and employees' addresses, employment and customer histories, compensation, placements, or any other customer and employee information.

The Company's and its customers' Confidential Information (as defined above) is a valuable, special and unique asset of the Company and its customers, the disclosure of which may cause substantial injury and loss of profits and goodwill to the Company or its customers. You shall not either directly or indirectly copy, remove, use, disclose, or disseminate to any person or other entity any Confidential Information (as defined above). You are responsible for safeguarding against theft, loss, unauthorized use, or disclosure of this information. Therefore, when you have access to such material in the course of your work, you must take whatever steps are necessary to assure that it is handled, stored, transmitted, or destroyed in a manner that will preclude loss or misuse. Violation of this policy will result in disciplinary or corrective action up to and including termination, as well as prosecution to the fullest extent allowed by law.

Upon termination of employment with the Company under any circumstances, voluntary or involuntary, you shall immediately return and deliver to the Company all information or documents or materials of any kind and in any format or media which in any way concern the Company or your employment with the Company, whether or not it is Confidential Information (as defined above). This includes all electronic data, hard copies, correspondence, manuals, letters, notes, notebooks, lists, printouts, contracts, writings of any kind, computer programs, software, and any other document concerning the Company's and its customers, candidates, prospects, businesses, or business affairs, whether Confidential Information or otherwise.

INVENTIONS

All rights of ownership to developments, discoveries, inventions, formulas, ideas, improvements, processes, methods or works of authorship created in the course of the Company's business belong to the Company, unless otherwise specified in a written agreement.

WORKDAY, PAYDAY, PERFORMANCE REVIEWS, PAY INCREASES, RECORDING OF TIME WORKED AND OVERTIME

WORKDAY

The administrative staff hours are generally 8:00 a.m. until 5:00 p.m. with a one hour lunch period. Hourly employees are divided into various shifts, which will be posted by the warehouse manager. A thirty-minute lunch period is observed for non-administrative employees.

PAYDAY

Paychecks are issued each and every non-holiday Thursday of the year. In weeks when there is a Thursday holiday, paychecks will be issued on Wednesday. Salaried employees are paid through the next Friday and hourly employees are paid through the previous Saturday.

PERFORMANCE REVIEWS AND MERIT INCREASES

The timing of performance reviews varies by department, but every effort will be made to conduct reviews in a timely manner. A review may not necessarily be accompanied by a salary/rate increase. However, you should have a better understanding of your progress in your particular job after each review.

Except for shift differential pay or promotion, all pay increases are granted on the basis of merit.

NON-EXEMPT EMPLOYEES AND OVERTIME COMPENSATION

Non-exempt (hourly) employees shall be compensated at the rate of time and one-half (1 1/2) of their base hourly rate (overtime compensation) for hours worked in excess of forty (40) hours per workweek. The Company's workweek is from Sunday to Saturday. In calculating the hours worked for purposes of overtime, any holiday time, scheduled vacation, scheduled personal time, or scheduled sick time (as defined in this Handbook) are included as hours worked. Unscheduled vacation or unscheduled personal or sick time (as defined in this Handbook) does not count as hours worked for purposes of overtime calculation.

Eligibility for Overtime

Overtime hours must be approved in advance by your supervisor(s), and your time card or attendance form with the necessary approvals must be timely submitted to the Human Resources Department. Working unauthorized overtime is a violation of Company policy. Non-approved overtime will be paid, but you may be subject to disciplinary action for violating Company policy. If you are making up time lost because of unscheduled time off, you may not schedule make-up time during any workweek where you are already scheduled to work 40 or more hours or will otherwise incur overtime.

Required Overtime

Management reserves the right to require you to work overtime according to the Company's and its customers' business requirements and in its total discretion. Refusal to work the requested overtime may result in disciplinary action up to and including termination.

Recording Time and Clocking In Are Required Policies

Non-exempt employees must report time for each shift or day worked on a time sheet or through use of a time clock, where applicable. Misrepresenting time worked, recording time for another employee or asking an employee to record or clock time for you, or otherwise providing false or inaccurate information regarding time worked, is considered theft and may result in disciplinary action up to and including termination, as well as prosecution to the fullest extent allowed by law.

EXEMPT EMPLOYEES AND OVERTIME COMPENSATION

Exempt employees are not entitled to receive any overtime pay regardless of the number of hours worked in a workweek. Exempt employees must be paid on a salary basis, which generally means the employee receives a predetermined amount of compensation each pay period. Exempt employees are expected to work as many hours as are necessary to complete their work each week.

Exempt employees may receive deductions from any allotment of paid time off, such as personal, vacation or sick time, including deductions for partial day absences, provided that the exempt employee receives his/her full salary for each week in which any work is performed, subject to the exceptions below. Exempt employees are not entitled to pay for any workweek in which they do not perform any work or for any days in which they do not perform any work as set forth below.

The Company may make deductions from an exempt employee's salary for absences of a full day (but not for partial day absences) for the following reasons:

- Personal leave or vacation;
- When absent from work for whole days due to personal reasons unrelated to sickness or disability;
- Unpaid disciplinary suspensions imposed in good faith for infractions of workplace conduct rules in accordance with a written policy applicable to all employees; and

- Days missed in the first or last weeks of employment.

The Company also may make deductions from an exempt employee's salary for the following reasons:

- Penalties imposed in good faith for infractions of safety rules of major significance; and
- Any unpaid leave of absence under the Family and Medical Leave Act ("FMLA"), including partial-day absences.

The Company is committed to complying with all legal requirements of the Fair Labor Standards Act (the "FLSA"), and does not permit improper deductions from the salary of exempt employees as explained above. If an exempt employee believes that he/she has had amounts improperly deducted from his/her salary, the exempt employee should contact his/her supervisor. The Company will promptly investigate the exempt employee's complaint of improper deductions and notify the employee of the result of its investigation. If the Company determines that amounts were improperly deducted from the salary of an exempt employee, the Company will reimburse the employee for the amount of the improper deduction retroactively.

ATTENDANCE POLICY

In a service company such as this one, the most important goal we have is to provide the best possible service to the Company's customers at all times. To achieve this goal, it is necessary that you are at work every day, on time. Regular attendance is an essential duty of every job position and is a critical aspect of your performance. To ensure the necessary employee attendance, the Company has adopted the following policies.

ABSENTEEISM

An incident of absenteeism is defined as an unscheduled absence of 4 or more hours. Thus, an incident of absenteeism occurs any time you are scheduled to work and you do not report to work for at least 4 hours of the scheduled shift. You are expected to be at work every day, unless prior arrangements have been made to schedule time off. Time off scheduled in advance under one of the various types of paid or unpaid time off provided in this Handbook does not count as an incident of absenteeism. Likewise, time away from work which qualifies as FMLA leave or as a reasonable accommodation under the ADA does not count as an incident of absenteeism. Whether an absence is ultimately paid as unscheduled sick, personal or vacation time does not affect its designation as an incident of absenteeism. Only one incident of absenteeism is counted if you are absent from consecutive work days or work shifts for the same reason, such as a continued illness, so long as the reporting procedure below is followed.

Excessive absenteeism, regardless of the reason and regardless of available sick, personal or vacation time, will result in disciplinary action up to and including discharge. Excessive absenteeism is defined as having 4 or more incidents of absenteeism within any rolling 90-day period, or 6 or more incidents of absenteeism within any rolling 180-day period, or any other incident of absenteeism that affects your job performance or the operations of your department. The calculation of the number of incidents of absenteeism under a rolling period of time is done by counting backwards from the date of the most recent absence. Absences in previous calendar years are counted under the rolling method. For example, if an employee is absent on February 28, the rolling period looks back 90 days and 180 days from that date to see how many other absences occurred during those periods. 90 days back from February 28 is November 30 of the prior year. 180 days back from February 28 is September 1 of the prior year. If you already had three absences between November 30 and February 27, or five absences between September 1 and February 27, then you have excessive absenteeism when you are absent again on February 28, and you will be subject to disciplinary action up to and including discharge.

Steel/Ornamental Warehouse and Yard employees may request approval to schedule a Saturday off or another personal day off without pay. If such a request is approved, the absence will not count as an incident of absenteeism. These days off without pay are not subject to the policy that all accrued paid time off must be used before days off without pay may be taken.

ABSENTEEISM

You are responsible for taking whatever actions are necessary to ensure that you arrive at work on time every day. You are strongly encouraged to tell your supervisor when you anticipate being tardy; however, calling ahead does not excuse you from being counted as tardy. An incident of tardiness is defined as your unscheduled arrival at

work after your starting time, regardless of how late. A tardy exceeding four hours is considered an absence. Time off scheduled in advance under one of the various types of paid or unpaid time off provided in this Handbook does not count as an incident of tardiness. Time away from work which qualifies as FMLA leave or as a reasonable accommodation under the ADA does not count as an incident of tardiness. Whether the tardy is ultimately paid as unscheduled sick, personal or vacation time does not affect its designation as an incident of tardiness.

Excessive incidents of tardiness, regardless of the reason, will result in disciplinary action up to and including discharge. Excessive tardiness is defined as having 3 or more incidents of tardiness within any rolling 30-day period or any other incidents of tardiness that affect your job performance or the operation of the department in which you work. To calculate the number of incidents of tardiness under a rolling period of time, you must count backwards from the date of the most recent incident. Tardies in previous months or calendar years are counted under the rolling method. For example, if you are tardy on January 7, the rolling period looks back 30 days to December 8 of the previous year to see how many other tardies occurred during that period of time. If you already have two tardies between December 8 and January 6, then you are considered to have excessive tardiness when you are tardy again on January 7, and you will be subject to disciplinary action up to and including discharge.

REPORTING UNSCHEDULED ABSENCES AND TARDIES

You **must personally report** any unscheduled absence or tardy directly to your immediate supervisor (or to whomever the supervisor has designated as an alternate) within one (1) hour of the scheduled starting time for your workday or shift or prior to leaving if you need to leave early. Except in extreme emergencies (such as being hospitalized unexpectedly), it is not acceptable to have a relative or friend call in for you. Example: If you are scheduled to start work at 8:00 am, you must personally report your absence or tardiness no later than 9:00 am to your supervisor (or the designated alternate).

If you must leave work prior to the end of the scheduled workday, you must also personally notify your supervisor (or the designated alternate) before leaving the work area.

Failure to follow this reporting policy at any time will result in disciplinary action up to and including termination. Further, any absence for three (3) consecutive days without following the Company's reporting procedure will be considered a voluntary resignation.

UNSCHEDULED ABSENCES AND TARDIES ARE CHARGED AGAINST REMAINING SICK, PERSONAL OR VACATION TIME

Every tardy of 30 minutes or longer and every incident of absenteeism will be charged against your remaining sick, personal or vacation time, in that order, if not health related or if sick time is exhausted. If no sick, personal or vacation time remains, then the absence will be without pay. For exempt employees only, if no sick, personal or vacation time remains, then only full day absences will be unpaid. You may not take unpaid time off for an unscheduled absence or tardy, unless you have exhausted all of your sick, personal or vacation time. In other words, you must exhaust all sick (for health related absences), personal and vacation time before unpaid time off may be taken.

Example #1: David has car trouble and misses the first 5 hours of his shift. If he has any personal time left, those hours are counted as unscheduled personal time. If he has no personal time remaining, he is charged with 5 hours of unscheduled vacation time.

Example #2: Julia calls in sick but she has already used all available sick time. Her absence will automatically be charged to unscheduled personal time. If all personal time has been used, her absence will be charged to unscheduled vacation. If she has no vacation time left, her absence will be counted as unpaid time.

RESIGNATION, RETIREMENT AND TERMINATION OF EMPLOYMENT

If you plan to leave the employ of the Company, you are requested to give notice at least 2 weeks in advance of the expected termination date. Such notice will facilitate the orderly transfer of work assignments. The Company reserves the right to terminate employment immediately once resignation notice is received, but in this event will pay you for the notice time given. Vacation and personal time may not be scheduled or taken during the resignation notice period. However, unused vacation will be paid in the final paycheck in accordance with the vacation policies set forth in this Handbook.

All employee benefits end with the termination of employment, although COBRA allows for the continuation of health insurance at your expense, or as otherwise specified by law.

Upon termination of employment with the Company under any circumstances, voluntary or involuntary, you must immediately return and deliver to the Company all information or documents or materials of any kind which in any way concern the Company or your employment with the Company, whether or not it is Confidential Information (as defined in this Handbook). This includes all correspondence, manuals, letters, notes, notebooks, lists, printouts, contracts, writings of any kind, computer programs, software, and any other document concerning the Company or its customers. You are specifically prohibited from deleting or destructing any Company information due to your impending termination of employment.

WORK AND SAFETY RULES

Safety is of the utmost importance to the Company. We value your well-being and expect you to work with safety in mind at all times. The personal conduct of each employee reflects directly and indirectly upon the reputation of the Company and the safety of the workplace. Therefore, it is important that all employees adhere to established policies and practice ethical behavior at all times. You are expected to treat others with the same safety interest and caution that you would like extended towards you. In addition to the practice of sound judgment and conscientious performance of duties, the following rules are set forth to maintain the standards of the Company. These rules are examples of some, but not all, rules.

Because these rules are of utmost importance, you should familiarize themselves with them immediately. You will be expected to understand and to observe all of the rules.

Violation of these rules will lead to disciplinary action based upon the circumstances of the individual case. Disciplinary action may include verbal warnings, written warnings, probation, suspension, discharge and/or criminal prosecution, depending upon the severity and the nature of the infraction and your individual work/disciplinary record. Progressive steps of discipline are not required.

The following practices will not be tolerated:

1. Failure to comply with any rules and regulations established by the Company, including, but not limited to, policies covered in this Handbook and those in any applicable Safety Manual or handbook;
2. Being under the influence of alcohol, illegal drugs and/or prescription or over-the-counter drugs that impair your ability to safely perform your duties on Company property, or the illegal use, possession, or sale of drugs (illegal, prescription or over-the-counter) or narcotics on Company property;
3. Fighting on Company premises, threat of bodily harm to employees or others while on Company property or any other acts that may interfere with the safe and/or efficient operation of the Company;
4. Excessive absences or tardiness, unauthorized absence from your work area during work time, interfering with the work of others, sleeping or any other nonproductive behavior;
5. Gambling or selling tickets on Company premises or Company time;
6. Possession of any property (including scraps and discards) belonging to the Company, a customer, or another employee without approval of a Vice President or the President;
7. Dishonesty, theft of Company, employee or customer funds or confidential information, unauthorized use of Company or customer funds or confidential information, unauthorized deletion or destruction of Company or customer confidential information, falsifying reports or Company/customer records, or falsifying time records;
8. Willful or careless destruction of or damage to material or equipment owned by the Company, another employee, or a customer;
9. Doing personal work during working time, or having personal work done on the premises, using Company property for personal use, or any unauthorized operation of Company equipment;
10. Refusal or inability to maintain satisfactory job performance, including output or quality of work;
11. Insubordination, refusal to do assigned work, refusal to accept transfer, failure to carry out reasonable orders, use of obscene or vulgar language and/or gestures, or disrespectful behavior towards any other person;
12. Possession of firearms or any weapons on Company premises, except as authorized by law;

13. Unauthorized use of Company records and information, including unauthorized distribution of confidential information;
14. Any conduct contrary to common decency or morality or liable to incite, provoke, or discriminate against anyone because of his/her race, color, sex, age, religion, national origin, disability; pregnancy (including childbirth, or pregnancy-related conditions); genetic information; military status (past or present or future); an individual's complaint of discrimination, filing a charge of discrimination, participation in an investigation, or opposition to discriminatory practices; or membership in any other category protected by federal, state or local law;
15. Failure to comply with any safety procedures, including using appropriate safety equipment and attending training sessions. You must report all accidents, injuries, and hazardous conditions or practices immediately to a supervisor;
16. Repeated accidents or potentially unsafe behavior of any kind.
17. Damaging the reputation of the Company, its officers or employees.
18. Engaging in behavior which is a conflict of interest with the Company.

SMOKING POLICY

Smoking is prohibited in Company office buildings and warehouse office areas. Smoking is permitted outside in designated areas except where prohibited for safety reasons.

DRESS CODE

The Company feels that it is important for all employees to maintain a professional image and use good business judgment for dress, grooming and demeanor in the work place.

Operations: Uniforms are provided for most operations personnel. In situations where uniforms are unavailable, you are expected to wear suitable clothing such as work pants, blue jeans, work shirts, etc. Tee shirts are acceptable as long as they are free from holes and excessive advertising or slogans. No sleeveless shirts are permitted. Shirts must be tucked in at all times.

Sales, Purchasing and Administration: You are expected to dress in a manner that is suitable for your day-to-day activities within the Company. If you are in a "contact" position (where you are expected to come into personal contact with customers, vendors or other persons visiting the Company), you should dress appropriately to the level and type of contact expected. In general the attire is "business casual."

The following are examples of appropriate attire for administrative and sales personnel: Slacks, khakis, golf style shirts, button down shirts, skirt style shorts, or skirts for women. Fresh jeans are acceptable as long as they are clean, not torn or excessively sized or faded.

The following are generally not acceptable: Tee shirts, torn or excessively tight or excessively large or faded jeans, shorts, mini skirts, thong type sandals, tank tops, sweat suits or other athletic attire.

Administrative personnel whose jobs involve more than minimal time in the plant should wear closed toe, low heel shoes.

SUBSTANCE ABUSE

The Company recognizes that substances such as alcohol and drugs are used by individuals, sometimes to an extent that their abilities and senses are impaired. Our position regarding substance abuse is the same whether alcohol, marijuana, crystal meth, inhalants, illegal drugs, prescription drugs, or controlled substances are involved.

This policy is implemented because the Company believes that the impairment of any employee due to the use of alcohol, inhalants, illegal or controlled substances is likely to result in the risk of injury to other employees, the impaired employee, or to third parties, such as customers or business guests.

You may not have, sell or use alcohol, drugs, drug paraphernalia or inhalants while on Company property or while working at any time, under any circumstances other than to the extent doing so is both lawful and medically necessary. If you violate this policy, you will be subject to disciplinary action, up to and including termination. If the Company discovers that you are involved in the use, possession, transfer, or sale of a substance in violation of this policy, the Company may notify the appropriate authorities. The Company will rely upon test results and standards of a professional laboratory.

If you are taking prescription drugs that could potentially impair your ability to safely perform your duties and responsibilities, you must report this to your supervisor.

The Company is concerned with our employees' privacy, especially where matters regarding medical and personal information are involved. The Company shall maintain employee medical and personal information in confidence and release this information to authorized Company personnel only on a "need to know" basis. An exception to this policy exists when you sign a release for the transfer of such information to designated persons or agencies.

Drug and alcohol testing may be required for any of the following reasons:

Pre-employment drug testing: You may be required to have a drug screening before reporting to work.

Random testing: You are subject to a random drug and alcohol test at any time without notice.

Reasonable suspicion: You will be subject to a drug and alcohol test if there are grounds to reasonably believe that you are under the influence of drugs or alcohol or using a prohibited substance. The test is done without notice.

Accidents: A drug and alcohol test will be required if you are involved in a work-related accident.

To comply with federal or state standards: Drug and alcohol tests are given as required by Department of Transportation guidelines.

THE COMPANY SYSTEMS: USE OF COMPANY INTERNET/ELECTRONIC MAIL (E-MAIL), TELEPHONES, CELL PHONES, FACSIMILE, COMPUTER (HARDWARE AND SOFTWARE), & PDAS

ALL COMPANY SYSTEMS COVERED

The Company provides employees with access to Company property, including but not limited to, Company telephones, cell phones, voicemail and email and other communication systems, Company Intranet, computer network, computer software and hardware, facsimile and modem equipment, PDAs (personal data assistants i.e. Blackberries, iPhones), and Internet accounts (collectively "Company Systems"). The Company has established this policy with regard to the access to and disclosure of any data and communications created, sent, received or stored on any of the Company's Systems.

Company Systems are Company property and are intended for business purposes. The Company owns the rights to all data, files, and communications in the Company Systems. You have NO EXPECTATION OF PRIVACY in any information, message, or data on or transmitted by any of the Company Systems whether or not you have private access or an entry code into the Company Systems. All files, e-mails, calls, voicemails, instant messages, and text messages created, sent, received, or stored on Company Systems are and remain the property of the Company. This includes communications received, sent, or stored using personal e-mail, instant messenger, or other communication service providers while on Company Systems (such as gmail, hotmail, or yahoo) and information stored in "private" areas of Company Systems. Any data available on Company Systems is not your private property and is subject to viewing, downloading, inspection, release and archiving by the Company at all times without prior notice to you.

The Company may exercise its right to monitor, review, audit, intercept, access, and disclose all information created, received, sent or stored over the Company Systems for any purpose and at any time. The confidentiality of any information should not be assumed. Even if information is erased or deleted, it is still possible to retrieve and read that message.

ALL EXISTING COMPANY POLICIES INCORPORATED

Your use of Company Systems is strictly governed by all Company policies and practices, including the Anti-Harassment/Anti-Discrimination Policy, Internet and Social Media Policy, proprietary and confidential information protection, workplace conduct, conflict of interest, and any neutral reference policy.

The Company Systems are not to be used to create, access, or distribute any offensive, harassing, or disruptive messages or material. Among that which is considered offensive is any message or material containing sexual implications or pornographic material, racial slurs, gender-specific comments or any other comment that offensively addresses someone's race, color, sex, age, religion, national origin, disability; pregnancy (including childbirth, or pregnancy-related conditions); genetic information; military service (past, present or future); an individual's complaint of discrimination, filing a charge of discrimination, participation in an investigation, or opposition to

discriminatory practices; or membership in any other category protected by federal, state or local law. Review the Company's Internet and Social Media Policy to review the Company's policy regarding your use of personal computer systems and Internet.

MUST NOT VIOLATE ANY LAWS

You are prohibited from transmitting any material or otherwise using the Company Systems in violation of any federal, state, or local law. This includes, but is not limited to, copyright infringement, plagiarism, discrimination, defamation, business disparagement, child pornography, invasion of privacy, or the communication of unlawful materials. You should be cautious about making any negative statements regarding any person, entity or product, including other companies or customers.

Use of Company Systems for illegal activity may result in disciplinary action up to and including immediate termination, and the Company will cooperate with any resulting legitimate law enforcement investigation.

DISCLOSURE TO LAW ENFORCEMENT

All use of the Company Systems becomes a part of the Company records and is subject to disclosure to law enforcement, government officials or to other third parties through subpoena or other legal process. Consequently, you should always ensure that your use of and the business information contained in the Company Systems is accurate, appropriate, and lawful.

PERSONAL USE OF COMPANY SYSTEMS

Personal use of Company Systems should be kept to a minimum and should in no event interfere with your normal job duties or responsiveness and must adhere to all Company policies including the Company's Internet and Social Media Policy.

COPYRIGHTS

Copyrighted materials belonging to entities other than this Company may not be used or transmitted by you on Company Systems. Users are not permitted to copy, transfer, rename, add or delete information or programs belonging to others unless given express permission to do so by the owner of such information or programs. Failure to observe copyright or license agreements may result in appropriate disciplinary action, up to and including termination, and/or legal action by the copyright owner. Review the Company's Internet and Social Media Policy on page 12 for additional information regarding copyrighted materials.

NO SOLICITATION

The Company Systems may not be used to solicit or proselytize for commercial ventures, religious or political causes, outside organizations or other non-job related solicitations. You may not use Company Systems for personal gain or advancement of individual views. Solicitation of non-Company business is strictly prohibited.

UNAUTHORIZED ACCESS PROHIBITED

Unauthorized access to the Company's confidential, proprietary, financial and strategic information is prohibited. You shall not use a code, access a file, or retrieve any stored information unless authorized to do so. You should not attempt to gain access to another employee's e-mail, voicemail, program, password, instant messages, text messages, or other data without authorization. All computer passwords must be provided to the Company upon request. Unauthorized review, duplication, dissemination, removal, damage, or alteration of Company Systems or the information they contain may result in for appropriate disciplinary action, up to and including termination.

SECURITY AND CONFIDENTIALITY

You are responsible for ensuring that Company Systems and the information they contain are adequately safeguarded against damage, alteration, theft, fraudulent manipulation, and unauthorized access or disclosure. Though the data processed and stored on Company Systems may appear to be intangible, it still must be protected as a Company asset and properly identified and safeguarded according to its proprietary or critical nature. You should regularly use your Company issued or individually selected passwords, where applicable, to secure Company Systems.

To prevent viruses from being transmitted through Company Systems, you are not permitted to download from the Internet or otherwise install any software on any device connected to Company Systems without the express written permission of Gary or David Stein or the Senior Vice-President of Finance and Administration or the Vice President for Information Technology. All software (or files) must be scanned for viruses by an authorized method before being used at work or being installed on Company Systems. The intentional introduction of a virus, Trojan horse, or other malicious code to Company Systems is strictly prohibited.

APPROPRIATE COMMUNICATION

You are reminded that others receive a lasting impression of the Company from the way you handle your call, email, or other communication. You should always be courteous and not keep callers on hold longer than necessary. You should not accept collect calls, unless authorized to do so by your supervisor.

Only those employees who are duly authorized to speak to the media, analysts or in public gatherings on behalf of the Company may speak/write in the name of the Company to any newsgroup or media outlet. If a news media representative contacts you and you are not authorized to speak on behalf of the Company, you should refer the inquiry to Gary or David Stein. You should never give the appearance that you are speaking for the Company in any communication and should disclaim such representation in any situation where it may be unclear.

When you are identified as an employee or agent of the Company, you must refrain from any unauthorized political advocacy whether using Company Systems or not. If you comment positively on Company-related matters, products, or services, you must identify yourself as an employee of the Company and state your role at the Company. Failure to do so may result in liability for you or the Company.

You are prohibited from sending anonymous messages, using aliases, or assuming the identity of others on Company Systems. All messages or information communicated from or with Company Systems must comply with all Company policies and properly identify, by name and role, all employee correspondents. Refer to the Company's Internet and Social Media Policy for further details regarding appropriate communication.

VIOLATIONS

You are expected to report any misuse of, or attempted infiltration by outsiders into Company Systems. If you discover a violation of this policy, please notify Gary or David Stein or the Senior Vice-President of Finance and Administration or the Vice President for Information Technology. If you violate this policy or use any of the Company Systems for improper purposes, you will be subject to disciplinary action, up to and including termination of employment.

INTERNET AND SOCIAL MEDIA POLICY

PURPOSE

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

GUIDELINES FOR ALL INTERNET POSTINGS AND SOCIAL MEDIA USE

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

The same principles and guidelines found in the Company's policies and three basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow employees or otherwise adversely affects customers, suppliers, people who work on behalf of the Company, or that adversely affects 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 and all Company policies, including the Company Systems policy, Anti-Discrimination and Anti-Harassment policy, proprietary and confidential information protection, workplace conduct, and any neutral reference 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, members, suppliers or 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, threatening or intimidating, that disparage customers, employees, suppliers, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or Company policy.

Be honest and accurate: Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors about the Company, fellow employees, members, customers, suppliers, 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. If you intend to post anything on social media that mentions the Company, you are required to get approval in advance from the Human Resources Manager.

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

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 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 the Company."

Using social media during work hours. Refrain from using social media while on work time or on equipment we provide, unless it is work-related as authorized by your manager or consistent with the Company Systems Policy. Do not use Company email 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. Any employee who retaliates against another associate 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: Employees should not speak to the media on the Company's behalf without contacting Gary or David Stein. All media inquiries should be directed to them.

For more information: If you have questions or need further guidance, please contact Gary or David Stein or the Senior Vice-President of Finance and Administration or the Human Resources Manager.

SOLICITATION RULES

The Company has a long-standing policy prohibiting solicitation on Company premises.

1. Non-employees may not solicit employees or distribute literature on Company premises at any time.

2. You may not solicit other employees for any reason during working time. Working time is that time in which either the employee who is soliciting and the employee who is being solicited are scheduled to work. Working time does not include scheduled breaks, lunch periods, or the time before the start, or after the end, of working shifts.
3. You may not distribute literature of any kind (written or electronic) to other employees in work areas at any time.

All material posted on Company premises or property must be approved in advance by the appropriate Manager. No other items are to be posted on Company premises or property.

EMPLOYEE CLASSIFICATIONS AND INDEPENDENT CONTRACTORS

The Company has established four different categories of employees, each with its own applicable set of terms and conditions. Each employee must be placed into one of the approved categories based upon the anticipated length and nature of his/her assignment, budget considerations, and the reason for which the vacancy or need was created. The categories are: regular full-time employees, regular part-time employees, part-time employees, and temporary employees.

Regular Full-Time Employees are hired on the Company's payroll to work the full scheduled workweek established at their location. The expected period of employment is continuing and unspecified. The ultimate duration of the employment is a function of the will of the employee and the Company, and is dependent on variables such as individual work performance, business plans, and business performance. These employees are entitled to all Company benefits for which they are eligible, including the various types of leave, paid time off, all Company insurance benefits, and the Company's 401(k) plan.

Regular Part-Time Employees are hired on the Company's payroll to work less than a full scheduled workweek (a minimum of 30 or more hours, but less than a full schedule). The expected period of employment is continuing and unspecified. The ultimate duration of the employment is a function of the will of the employee and the Company, and is dependent on variables such as individual work performance, business plans, and business performance. These employees are entitled to the various types of leave and paid time off provided by the Company on a prorated basis determined by the amount of hours regularly worked, except for personal time. For example, an employee who works an average of 30 hours a week is entitled to 3/4 of the paid time off available to regular full-time employees with the same length of service. Regular part-time employees are not entitled to participate in the Company's insurance benefits plans. However, these employees may participate in the Company's 401(k) plan after one year of service if they worked a minimum of 1000 hours during the previous year.

Part-Time Employees are hired on the Company's payroll to work less than 20 hours per week. The expected period of employment is continuing and unspecified. The ultimate duration of the employment is a function of the will of the employee and the Company, and is dependent on variables such as individual work performance, business plans, and business performance. Part-time employees are not eligible for paid time off or any of the Company insurance benefits. These employees may participate in the Company's 401(k) plan after one year of service if they worked 1000 hours during the previous year.

Temporary Employees are hired on the Company's payroll (but paid by the hour) on a full-time or part-time basis for a specified period of time (maximum 6 months) to complete a specific assignment, supplement the regular work group, or substitute temporarily for a regular employee. Extension of an assignment beyond 6 months (to a total maximum of up to 12 months) requires management approval. Temporary employees are not eligible for any paid time off or Company insurance benefits or 401(k) plan.

Independent contractors or consultants may be utilized from time to time to perform various services. If independent contractors are using Company facilities, they are expected to abide by Company policies. Independent contractors are not employees, and they are not entitled to any paid time off or participation in any of the Company insurance benefits or 401(k) plan.

EMPLOYEE BENEFITS

INSURANCE BENEFITS AND 401(K) PLAN

Employee benefit plans represent a very high and increasing cost for all employers. Of course, these benefits are of prime importance to employees and represent a key element in their attitudes, motivation, and productivity. The Company's objective is to provide a range of employee benefits that will effectively protect and promote your health and the health of your family, contribute to your financial security, promote your on-the-job productivity, and increase your identification with and loyalty to the Company.

The Company's benefit plans are constantly reexamined to ensure that the Company continues to meet these objectives, is responsive to, and in compliance with, ever-changing legal and tax considerations, and that the Company compares favorably with its competitors and other major leading employers. The Company reserves the right, at its discretion, to modify or discontinue benefit plans, not only for the above reasons, but for any future events that would make changes advisable.

It is important for you to be familiar with all the benefits provided by the Company in order to choose wisely among the Company offered benefits and benefits available outside of the Company.

Call the Human Resources department for an explanation of the Company's current benefits, the amounts currently paid for by the Company (if any), and the amounts currently paid for by Employees. The summary of major employee benefits that follows is only a general guideline. More detailed plan booklets are available from Human Resources Department.

BENEFITS

Dental Long-Term Disability
Medical 401(k) Plan
Employee Life/Accidental Death and Dismemberment Dependent
Life

ENROLLMENT

New hires are provided benefits information and enrollment documents by the Human Resources Department at the time of hire or induction and orientation. Immediate completion and submittal of the insurance enrollment forms to the Human Resources Department is required after eligibility. You must determine participation in the various benefit plans, authorize payroll deductions, designate beneficiaries, enroll dependents, and provide necessary personal information for the operation of the benefits program.

NOTIFYING COMPANY OF CHANGES IN NAME, CONTACT AND BENEFIT INFORMATION

You are responsible for supplying the Human Resources Department with your current address, home telephone and cellular telephone numbers. You must notify the Human Resources Department as soon as possible if you change your name, address, telephone number, marital or dependent status, beneficiary, etc. Failure to report such changes may result in loss of benefits to you or your dependents.

CONTINUATION OF BENEFITS

The Company complies with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), which generally allows you and your dependents who lose group health care coverage through loss of employment, reduction in hours, divorce and other reasons to continue the same insurance coverage at your own expense for a specified period. Information concerning eligibility for and the extent of the continued coverage is available from Human Resources

REIMBURSEMENT OF MEMBERSHIP/CONFERENCE FEES AND EXPENSES

Requests for payment or reimbursement of fees and other expenses related to membership in professional societies related to our business and attendance at conferences may be granted with the approval of management. Requests for such approval should include all pertinent details, including the dates of the conference, the time needed to attend, travel days, and the estimated costs associated with the conference and/or professional membership. You

should submit these requests to your supervisor and get approval from Gary or David Stein prior to the fee due date for requests for payment, and immediately after the fee is incurred for requests for reimbursement.

HOLIDAYS

The Company recognizes the following seven (7) days as paid holidays and is officially closed on:

New Year's Day *

Memorial Day

July 4th *

*If these holidays fall on a Saturday or Sunday, management

Labor Day

may elect to take an adjoining weekday as a paid holiday

Thanksgiving Day

Day after Thanksgiving

Christmas Day *

The following days will be paid holidays (and our facilities will be closed) at our Jensen Drive and Monroe Street locations in Houston if they fall on your normal workday: Rosh Hashanah and Yom Kippur. In all other locations, employees will receive up to two additional personal paid days off when these holidays fall on normal work days, which days must be scheduled and taken by the end of the calendar year.

Additionally, the Company generally closes early (approximately 2:00 pm.) on the following days:

Christmas Eve
New Year's Eve

You may take religious holidays not designated as a Company holiday without pay. Prior approval must be obtained from a supervisor/manager.

ELIGIBILITY FOR HOLIDAY PAY

To receive holiday pay and no deduction from vacation time, you must be at work the last scheduled workday before, and the first scheduled workday after, the holiday, unless your absence on these days was scheduled and approved in advance (e.g., for scheduled vacation, scheduled personal time, or an approved leave of absence). If you are a non-exempt employee and you do not work the last scheduled workday before and the first scheduled workday after a holiday, you will not receive holiday pay. If you are an exempt employee in this situation, you will receive holiday pay but the holidays will be deducted from your available vacation time for the current year, and if that vacation is exhausted already, from the allotted vacation for the next calendar year.

If a designated holiday falls within your scheduled vacation, the holiday is not considered a vacation day. You will receive holiday pay and will not be charged a vacation day. If you are on any leave of absence when a designated holiday occurs, you will not receive holiday pay for that holiday.

HOLIDAY PAY CALCULATION

Holiday pay is for eight hours of work at your regular straight time base pay rate if you are a full-time employee, or a pro-rated amount if you are a regular part-time employee.

WORKING ON A HOLIDAY

Scheduled work on holidays is discouraged since the purpose of holidays is to provide opportunities for you to relax and celebrate traditional events with friends and family. However, if you are required to work on a scheduled holiday, you will be paid for hours worked at time and a half of your regular pay rate, in addition to receiving holiday pay.

VACATION TIME

The Company believes that periods of rest and relaxation away from the job are important to your health and well-being. Therefore, you are provided with paid vacation time and are strongly encouraged to use this time to schedule a well-deserved break from work. Vacation pay is calculated at your regular straight time pay rate. Vacation may be taken on an hourly basis by hourly employees and on a half or full day basis for exempt employees.

VACATION YEAR

Vacation time will be granted and tracked on a calendar year basis, January 1 to December 31.

VACATION ELIGIBILITY

If you were hired during the previous calendar year and have less than one full year of service on January 1, you are credited with 5 vacation days on January 1. If you have 1-7 full years of service prior to January 1, you are credited with 10 vacation days on January 1. If you have 8 full years of service prior to January 1, you are credited with 15 vacation days on January 1. If you are a new employees hired after January 1 of the current calendar year, you will be credited with a pro-rated number of vacation days for that year, based on your date of hire (see table below), on your date of hire.

<u>Date of Hire</u>	<u>Eligible Vacation Time</u>
January 1 through March 30	3 days
April 1 through June 30	2 days
July 1 through September 30	1 day
October 1 through December 31	0 days

No vacation days may be taken until you have completed 3 months of continuous service. **While vacation days are credited on January 1 of each year (or on the hire date for new employees), the vacation days are actually earned (accrued) each month on an ongoing basis.** The accrual rate is 0.42 vacation days per month for employees with less than one full year of service before January 1, .84 days per month for employees with 1-7 full years of service before January 1, and 1.25 days per month for employees with 8 years of service before January 1. $0.42 \text{ days per month} \times 12 \text{ months} = 5 \text{ vacation days}$. $0.84 \text{ days per month} \times 12 \text{ months} = 10 \text{ vacation days}$. $1.25 \text{ days per month} \times 12 \text{ months} = 15 \text{ vacation days}$. **If you take vacation days before you have actually accrued the vacation days and then leave the Company before those vacation days have accrued, the unearned (unaccrued) portion of that vacation time will be deducted from your last paycheck.**

Examples #1: Julia was hired 2/25/2013. She is credited on her hire date with 3 vacation days for 2013 although she does not earn all of these days until 12/31/13. As a new employee, she cannot use any of these vacation days until 3 months of employment, or until after 5/25/13. If she uses all 3 of her days on 6/3/13-6/5/13 and then resigns on 6/25/13, she must pay back to the Company (in the form of a paycheck deduction or otherwise) the vacation days she took but did not earn. Julia worked 4 months from 2/25/13 to 6/25/13, thus earning .42 days per month, or 1.68 vacation days. Julia used 3 days, so she owes the company 1.32 vacation days upon her resignation.

Example # 2: Julia was hired 2/25/2013. As of 1/1/14, Julia still had not yet completed one full year of service. Therefore, she is credited with 5 vacation days on 1/1/14, although these days have not yet been accrued. If Julia uses all 5 vacation days before she resigns on 6/30/14, and if she used all of her vacation days from the prior year, then her last paycheck will be deducted in the amount of 2.50 vacation days.

Example #3: Julia was hired 2/25/2013. Julia will have completed one year of service prior to 1/1/15 and will therefore be credited with 10 vacation days on 1/1/15, although these days have not yet been accrued. If Julia uses 5 vacation days before she resigns on 6/30/15, she has used only vacation days that she has accrued. She worked 6 months and earned .84 vacation days per month. Julia will not have any deduction from her last paycheck for taking vacation days not yet accrued or earned.

VACATION FOR REGULAR PART-TIME EMPLOYEES

On January 1 of each year, regular part-time employees who are expected to work at least 20 hours/week and who worked more than 1000 hours during the previous calendar year will be credited with 1/2 the amount of vacation time that regular full-time employees with the same length of service would receive.

SCHEDULING VACATION

All vacation time must be approved by, and scheduled in advance with, your immediate supervisor. A maximum of three weeks of vacation may be taken at any one time.

You should request vacation time at least two weeks prior to the desired date(s) by completing a Request for Vacation or Personal Time form and submitting it to your supervisor. These forms are available on the Company Intranet and may be posted at different locations at each facility. Hourly employees may designate on this form if they wish to be paid in advance for their vacation time. (Salaried employees may not request advance vacation payment.) Vacation scheduled with less than one week's notice is considered unscheduled. Unscheduled vacation will count as an absence even though it is paid as vacation time.

In order to ensure the continuous effective operation of its business, the Company reserves the right to approve/disapprove all requests for vacation. In certain rare instances, it may be necessary for management to rescind a previously-approved request for vacation time. If this should occur, every effort will be made to accommodate you with alternative time off.

VACATION CARRY OVER

You must take at least one-half of your annual eligible vacation time during the calendar year in which it is granted or that one-half of your vacation time will be forfeited. No more than one-half of the vacation time credited for that calendar year can be carried over to the following calendar year or sold back to the Company. The maximum total CARRY OVER balance is thirty (30) days, not including the vacation credited for the current calendar year. Up to one-half of your annual vacation allotment may be sold back to the Company once it is actually earned/accrued.

BORROWING OF VACATION

The borrowing of vacation time from the next calendar year's eligible amount is not permitted.

UPON TERMINATION

If you give notice of your resignation, you may not schedule or take vacation time during the notice period. If you completed at least one (1) year of service as of January 1 of that year, you will be paid for any earned, but unused vacation time, unless you are terminated for misconduct of any nature. You must reimburse the Company upon termination for any vacation days used before they were actually earned (accrued), in the form of a paycheck deduction or otherwise.

SICK TIME

While the Company hopes that you will remain in good health, the Company provides sick time when your temporary absence is caused by a non-work-related personal illness or injury, including visits to doctors, dentists and other medical professionals, or a family-related medical problem. Sick time may be used only for two (2) types of situations: (1) when you are personally ill or suffer an injury; or (2) in conjunction with a medical problem involving your immediate family member (e.g., spouse, parents or children). Sick time may not be used for any other type of absence. Sick time is calculated at your regular straight time rate. Sick time may be taken on an hourly basis by hourly employees and on a half or full day basis for exempt employees.

ELIGIBILITY

Sick time will be awarded and tracked on a calendar year basis. Unused sick time may be carried over or "banked" (see CARRY OVER OF SICK TIME/BUY BACK OPTION). On January 1 of each year, regular full-time employees are credited with 5 days (or 40 hours) of sick time. Employees hired after January 1 of the current calendar are eligible

for a pro-rated amount of sick time to use during the year in which they are hired. The amount of sick time for which they are eligible is determined by their date of hire (see table below).

<u>Date of Hire</u>	<u>Eligible</u>	<u>Sick</u>
<u>Time</u> January 1 through March 31		3 days /
24 hours April 1 through June 30		2 days /
16 hours		
July 1 through September 30	1 day/ 8 hours	
October 1 through December 31	0 days/hours	

No sick time may be taken until you have completed three (3) months of continuous service with the Company. While sick days are credited to you on January 1 of each year (or on the hire date for new employees), you actually earn (accrue) the days each month on an ongoing basis. The accrual rate is 0.42 sick days per month for all full-time employees. If you take a sick day before you have actually accrued the sick day and then leave the Company before those sick days have accrued, the unearned (unaccrued) portion of that sick time will be deducted from your last paycheck.

SICK TIME FOR REGULAR PART-TIME EMPLOYEES

On January 1 of each year, regular part-time employees who are expected to work at least 20 hours/week and who worked more than 1000 hours during the previous calendar year will be credited with 1/2 the amount of sick time that regular full-time employees receive, which amounts to 2 1/2 days (or 20 hours) of sick time.

WHEN SICK TIME IS EXHAUSTED

If you use all of your available sick time, any further absences due to personal or family illness/injury will be deducted first from your remaining personal time (if any) and counted as "unscheduled personal time," and then from your remaining vacation time and counted as "unscheduled vacation." If you have no personal time or vacation time remaining, additional absences will be recorded as unpaid time off. For exempt employees only, if no sick, personal or vacation time remains, only full-day absences will be unpaid. **You may not borrow sick time from future years for use during the current calendar year.**

CARRY OVER OF SICK TIME/BUY BACK OPTION

If you have at least 1 day/8 hours of sick time remaining at the end of the calendar year, you may carry over that sick time to the following year. There is no maximum amount of sick time that may be carried over and no limit on the length of time it may be carried over. The Company rewards employees for excellent attendance by offering to "buy back" their unused sick time. This option is offered annually during the month of March if you have accumulated at least 15 days (120 hours) of unused sick time. The Company will pay one day's pay for each 2 days/16 hours of sick time that you return to the Company. Your total unused sick time will be reduced by the number of days/hours of sick time converted under the Buy Back option.

UPON TERMINATION

If you leave the Company, regardless of the reason or timing, you are not eligible for payment of unused sick time. You must reimburse the Company upon termination for any sick days used before they were earned (accrued), in the form of a paycheck deduction or otherwise.

PERSONAL TIME

"Personal time" is an additional benefit for employees. Personal time is intended to assist you in handling non-medical situations, when use of sick time is not permitted. Personal time is paid at your regular straight time rate. If you are an hourly employee, you may take personal time on an hourly basis, and if you are an exempt employee, you may take personal time on a half or full day basis.

ELIGIBILITY

On January 1 of each year, regular full-time employees who have completed at least one year of service will be credited with 2 days (16 hours) of paid personal time for use during the current calendar year.

If you have less than one year of continuous service, you are not eligible for personal time in the calendar year you are hired. However, upon January 1 of the next calendar year, if you were hired between January 1 and June 30 of the prior year, you will receive 2 days/16 hours of personal time for use during that calendar year; and if you were hired between July 1 and December 31 of the prior year, you will receive 1 day/8 hours of personal time for use during that calendar year.

While personal time is credited to employees on January 1 of each year, regular full-time employees actually earn (accrue) it each month on an ongoing basis. The accrual rate is 1.33 hours per month for regular full-time employees. If you take personal time before it has actually accrued and then leave the Company before that personal time has accrued, the unearned (unaccrued) portion of that personal time will be deducted from your last paycheck.

Regular part-time employees receive one personal day per calendar year.

SCHEDULING PERSONAL TIME

Like vacation time, you must schedule personal time in advance with your supervisor. Requests should be made at least two weeks prior to the day of absence whenever possible. To be considered "scheduled" personal time, a request for time off must be made at least one week prior to the desired day of absence. Forms to request personal time are available from the management office at each location or by request from the Human Resources office. Personal time taken with less than one week's notice is considered "unscheduled." Unscheduled personal time counts as an incident of absenteeism unless the time off is covered by the Family and Medical Leave Act or the Americans with Disabilities Act.

WHEN PERSONAL TIME IS EXHAUSTED

If you have used all of your available personal time, any further absences will be deducted first from your remaining vacation time. If you have no vacation time remaining, additional absences will be recorded as unpaid time off. For exempt employees only, if no sick, personal or vacation time remains, only full-day absences will be unpaid. **You may not borrow personal time from future years for use during the current calendar year.**

CARRY OVER OF PERSONAL TIME

If you have at least 1 day/8 hours of unused personal time, you may carry over that time to the following year.

UPON TERMINATION

If you give notice of resignation, you may not schedule/take personal time during the notice period. If you leave the Company, regardless of the reason or timing, you are not eligible for payment of unused personal time. You must reimburse the Company upon termination for any personal time used before it was earned (accrued), in the form of a paycheck deduction or otherwise.

RULES APPLICABLE TO ALL LEAVES AND ABSENCES

Unless otherwise specified in this Handbook, these leave policy rules apply to all types of leaves discussed in this Handbook, including all leaves for work related injury or accident, medical leaves, personal leaves, scheduled or unscheduled absences, and all other leaves.

MAXIMUM AMOUNT OF TIME AWAY FROM WORK

Absences and leaves for any and all reasons other than excluded leaves specified below cannot in any circumstance exceed six (6) months during any rolling twelve (12) month period. The twelve (12) month period is calculated from the date the most recent leave/absence begins and counting backwards twelve (12) months. The leave time or absences do not have to be consecutive and all non-vacation absences from work other than specifically excluded leaves, regardless of cause or reason, will be counted towards this maximum leave time. The Company will terminate your employment if you exceed six months of absence or leave during any rolling twelve (12) month period. Excluded from this requirement are vacation, qualified leaves for military service or training, reasonable accommodations under the ADA, FMLA leave, jury duty, time spent complying with a valid subpoena, or time spent in court as a crime victim.

REQUIRED COMMUNICATION WITH COMPANY DURING ABSENCE OR LEAVE REGARDING STATUS AND INTENT TO RETURN TO WORK

You must keep the Company informed of your status and intent to return to work while absent or on any type of leave other than military leave. This communication should be on a daily basis for the first week of leave and on a weekly basis for the rest of the leave. You must give timely notice of your intended return date to the Company and must immediately notify your supervisor of any change in the anticipated return date. Failure to return to work by the third day after the specified return date is considered job abandonment and the Company will terminate your employment. The notice requirements for an employee on FMLA leave are addressed separately in the FMLA policy outlined below.

RESTORATION OF POSITION UPON RETURN TO WORK

The Company reserves the right to fill your position as may be necessary during your absence or leave from work. Upon timely return from authorized leave, you will be restored to your original job, or to an equivalent job with equivalent pay, benefits, and other terms and conditions of employment, to the extent such a position is or can be easily made available. Full restoration to your previous position or to all terms and conditions of your previous position will be attempted, but cannot be guaranteed in all situations. Restoration of position upon return from FMLA leave is addressed separately in the FMLA policy outlined below.

TEMPORARY MODIFIED DUTY

If you are temporarily unable to perform all duties of your position, depending on the circumstances, you may return to work or continue working with modified duties either in the same or another position. The availability of modified duty depends on your position, the availability of other positions within the Company, the type of duties you can perform, and the length of time you require modified duty. Modified duty is not available for all job positions or all circumstances and is granted in the Company's sole discretion. If you have a long-term or permanent impairment that prevents you from performing your job duties, you do not qualify for temporary modified duty under this policy. Rather, you should discuss with the Human Resources Department your ability to perform and your need for an accommodation. Qualified individuals with a disability are entitled to a reasonable accommodation in the workplace.

NO WORK WHILE ON LEAVE

The taking of another job or working at another job (including self-employment) while on authorized leave from the Company is strictly prohibited and may result in immediate termination, except for military service or certain other jobs in service of the Country.

REQUIRED PAYMENT OF EMPLOYEE BENEFITS WHILE ON LEAVE

Because employment benefit premiums are deducted from employee paychecks, if you are away from work on any leave for which you do not continue to receive a regular paycheck from the Company, including Workers' Compensation leave, FMLA leave, ADA leave, suspension without pay, and short- or long-term disability, you are required to make alternative arrangements with the Company regarding the payment of any benefit premiums.

Failure to make timely contributions towards elected benefits will result in termination of those benefits. Reinstatement of benefits upon returning to work or otherwise may be subject to certain restrictions, such as reapplying and qualifying for the benefits, and the exclusion of preexisting conditions.

If for any reason the Company pays any portion of your share of the benefit contributions during any absence or leave, you must repay this amount in full to the Company before returning to work or this amount will be deducted from your first paycheck upon returning to work, as authorized by the Authorization for Deductions from Wages form. Refusal or inability to repay employee contributions before or in the first paycheck is cause for immediate termination.

REQUIRED EXHAUSTION OF PAID TIME OFF WHILE ON LEAVE

Except in the case of unexcused absences, suspensions without pay, or leaves where you receive workers' compensation or disability benefits or other payment, you are required to exhaust all available sick day benefits for any health-related leave of absence, then all available personal time and vacation benefits during any unpaid leave of absence. The vacation, personal days and sick days will be deemed to run concurrently with (at the same

time as) the leave of absence or absences. In other words, you are required to “use up” all of your paid time off during any leave of absence.

NO ACCRUAL OF ANY PAID TIME OFF WHILE ON LEAVE OVER 30 DAYS

After the first 30 days of leave, for any type of leave and for any reason, vacation, personal time and sick time will no longer accrue during the remainder of the leave time.

WORKERS’ COMPENSATION LEAVE

If you are injured while performing your assigned duties and/or while “in the course and scope of employment,” you are covered by Workers’ Compensation. Costs for medical care associated with a work-related accident/injury will be paid by this insurance. The cost of this insurance is paid entirely by the Company. If you are covered by Workers’ Compensation, you may also qualify for Family and Medical Leave Act leave (see below), which will run at the same time as the Workers’ Compensation Leave.

REPORTING OF ACCIDENTS/INJURIES

Company policy requires that you report any work-related accident or injury to your supervisor (or to a designated management individual) at the time of the accident. Failure to properly report an accident/injury will result in disciplinary action, as well as loss of the quarterly Safety Bonus.

TREATMENT OF INJURIES

Subject to applicable state law, if you suffer a work-related injury, you will be treated at a nearby medical facility where the physicians are familiar with the Company and the physical requirements of the Company’s positions. The costs for any related treatment will be paid by the Company.

COMPENSATION WHILE AN EMPLOYEE IS DISABLED

On the day a work-related injury occurs, you will be compensated by the Company at your regular pay rate for time spent seeking medical treatment, and will be paid through the end of your shift if you are unable to return to work that day. If you are unable to return to work on the following day, you may become eligible for payment of Workers’ Compensation income benefits.

The beginning of Workers’ compensation **income** benefits is based upon State law where employees are working, and may vary from state to state. Contact the Human Resources office with any questions regarding this matter. In the event there is a waiting period for employees to receive an income disability benefit under state law, then you may be able to use your remaining sick, personal and/or vacation time (in that order) to compensate you for the waiting period (up to the first seven days of absence) for which you did not receive any Workers’ Compensation income benefits.

UNLESS OTHERWISE SPECIFIED, THE RULES APPLICABLE TO ALL LEAVES AND ABSENCES DESCRIBED ABOVE APPLY TO ALL WORKERS’ COMPENSATION LEAVES.

NON WORK-RELATED INJURIES

If you suffer any type of non-work-related injury that affects your ability to safely perform your job duties, or that may be aggravated by performing your job duties, you must report the situation to your supervisor prior to beginning your next shift. As a precautionary measure, if you report having suffered such an injury, you may be required to obtain a medical release before resuming your regular job duties.

THE FAMILY AND MEDICAL LEAVE ACT OF 1993

In compliance with the Family and Medical Leave Act (“FMLA”), the Company provides eligible employees up to twelve (12) workweeks of FMLA leave within a rolling twelve (12)-month period for specified family and medical reasons, and up to twenty-six (26) workweeks of FMLA leave within a single twelve (12)-month period to care for a covered military service member.

If you take FMLA leave, you will be placed in the same or an equivalent position upon returning from leave, provided you meet eligibility requirements and comply with all notice and certification requirements, and unless you would

not otherwise be employed at the time reinstatement is requested (e.g., because your position was eliminated due to a reduction in force or restructuring during your FMLA leave). All FMLA leave is **unpaid** except for accrued sick, personal, and vacation time that is taken as part of the FMLA leave (see "Integration With Other Time Off," below).

ELIGIBLE EMPLOYEES

Eligible employees are defined as employees in locations with fifty (50) or more employees at that location or within seventy-five (75) miles of that location, who have been employed by the Company for at least twelve (12) months and who have worked at least 1,250 hours during the 12-month period preceding the leave. If you are a key employee, you may be excluded from certain FMLA protections, and will be notified of your key employee status at the time a leave request is made.

QUALIFYING REASONS FOR FMLA LEAVE

Family and Medical Reasons: Eligible employees may take up to twelve (12) weeks of unpaid leave in a rolling 12-month period for one or more of the following reasons:

Birth of a child and to care for the newborn child;

Placement of a child for adoption or foster care and to care for the newly placed child;

To care for a spouse, parent, or child, including step-relations ("Covered Relative"), due to a serious health condition;

Because the employee's own serious health condition makes him/her unable to perform an essential function of his/her job; or

Due to a qualifying exigency (defined by law and stated below), when the employee's spouse, parent, or child is: (i) a member of the regular Armed Forces who is deployed to a foreign country; or (ii) a member of the Reserves or National Guard who is on federal active duty during deployment to a foreign country under a call or order to such active duty ("Qualifying Exigency Leave").

"Child" includes not only a biological or adopted child, but also a foster child, a stepchild, a legal ward, or a child of a person standing *in loco parentis*.

An employee stands "in loco parentis" to a child when he/she has day-to-day responsibilities to care for the child OR financially supports the child. If you have questions relating to this definition and its application to you, you should contact the Human Resources department.

If the Company has questions about whether your relationship to a child is covered under FMLA, the Company may require you to provide reasonable documentation or statement of the family relationship.

"Serious Health Condition" means *generally* an illness, injury, impairment, or physical or mental condition which:

requires inpatient care (i.e., an overnight stay) in a hospital, hospice, or residential medical-care facility or subsequent treatment in connection with or consequent to such inpatient care;

creates incapacity of more than three (3) consecutive, full calendar days and (i) requires in-person treatment by a health care provider two or more times within thirty (30) days of the first day of incapacity, with the first visit occurring in the first seven (7) days of incapacity, unless extenuating circumstances exist, or (ii) requires one in-person treatment by a health care provider within the first seven (7) days of incapacity, resulting in a continuing regimen of treatment;

is a chronic serious health condition which continues over an extended period of time, requires periodic visits (at least twice a year) to a health care provider, and may involve occasional episodes of incapacity (e.g., asthma, diabetes);

is a permanent or long-term condition for which treatment may not be effective (e.g., Alzheimer's, a severe stroke, terminal stage of a disease);

is a period of absence to receive multiple treatments for restorative surgery or for a condition which would likely result in a period of incapacity of more than three (3) consecutive, full calendar days if not treated (e.g., chemotherapy or radiation treatments for cancer, kidney disease dialysis); or

is a period of incapacity due to pregnancy or for prenatal care.

"Qualifying Exigency" leave includes *generally*:

short-notice deployment - notification of an impending call or order to active duty seven (7) or fewer calendar days prior to date of deployment; limited to seven (7) calendar days of leave or less;

military events and related activities - official ceremonies, programs, events and/or family support and assistance programs and briefings;

childcare and school activities - changes to regular childcare arrangements, urgent-need childcare, school enrollment, transfer, and/or parent-teacher conferences;

financial and legal arrangements - preparing and executing powers of attorney, transferring bank account signature authority, representing covered military member regarding military benefits, preparing and updating wills and living trusts;

counseling - for the employee, covered military member or the children of the covered military member;

short-term rest and recuperation - up to five (5) days of leave for each instance of a covered military member's leave for rest and recuperation with the covered military member;

post-deployment activities - arrival ceremonies and programs for ninety (90) days after active duty status, death-related issues; and

additional activities - other events which arise out of the covered military member's active duty or call to active duty, to be agreed upon by the Company and employee.

Military Caregiver Leave: Eligible employees may also take up to twenty-six (26) weeks of unpaid leave in a single 12- month period (beginning on the first day such leave is taken) to care for a covered service member while he or she undergoes medical treatment, recuperation, or therapy for a serious injury or illness ("Military Caregiver Leave").

"Covered Service Member" is defined as the employee's spouse, parent, child or next of kin who is:

a current member of the Armed Forces (including the Reserves or National Guard) or on the temporary disability retired list, and who incurred a serious injury or illness (or aggravated a pre-existing injury or illness) in the line of duty; or

a veteran who was a member of the Armed Forces (including the Reserves or National Guard), and who incurred a serious injury or illness (or aggravated a pre-existing injury or illness) in the line of duty at any time during the five (5) years prior to that veteran undergoing medical treatment, recuperation, or therapy.

"Serious injury or illness" for *current* service members is defined as the type of injury or illness that would render the service member medically unfit to perform the duties of his/her office, grade, rank, or rating. For *veterans*, a qualifying "serious injury or illness" is defined by Department of Labor standards, and the Company will comply with those standards in assessing claims for FMLA leave.

AMOUNT AND TIMING OF LEAVE

FMLA leave begins on the date of the first absence covered by FMLA and continues until the earlier of: (1) the date your 12- or 26-workweek leave allotment is exhausted; (2) the date on which the FMLA-qualifying reason ends, not to exceed twelve (12) or twenty-six (26) workweeks; or (3) the date you fail to provide any certification or recertification of the need for the FMLA leave as required by the Company in accordance with the FMLA.

For all types of FMLA leave besides military caregiver leave, the balance of the twelve (12) weeks' leave available will be determined by using a "rolling" 12-month period, measured backward from the starting date of each requested leave.

For Military Caregiver Leave, which makes twenty-six (26) weeks of leave available to eligible employees, the "single 12-month period" begins on the first day you take such leave and will normally be calculated separately from the rolling 12-month period used for other types of FMLA leave. However, the two will be tracked concurrently. You may not use more than twenty-six (26) weeks of FMLA leave for *any reason* during the 12-month period that begins on the date Military Caregiver Leave begins.

Military Caregiver Leave may be taken intermittently throughout the single 12-month period, and is applied on a per- covered-service member, per-injury basis, such that, if you are eligible, you may be entitled to take more than 26 weeks' leave if the leave is to care for a different service member or the same service member's subsequent

injury or illness. However, no more than 26 weeks of leave may be taken in any single 12-month period, regardless of the number of bases for which it might be sought.

Leave taken because of the birth or placement of a child and to care for that child must be completed within the 12-month period beginning on the date of birth or placement. Nonetheless, such leave may begin before the birth or placement occurs.

Spouses employed by the Company are jointly entitled to a combined total of twelve (12) weeks of leave for the birth and care of a healthy newborn child, for placement of a healthy child for adoption or foster care, and to care for a parent who has a serious health condition. However, each spouse will be entitled to take the full twelve (12) weeks of leave because of a child's, spouse's, or their own serious health condition. Spouses employed by the Company are jointly entitled to a combined total of twenty-six (26) weeks of Military Caregiver Leave during the single 12-month period.

INTEGRATION WITH OTHER TIME OFF

If you have accrued paid leave, such as sick, personal or vacation time, you must use all of that time concurrent with any unpaid FMLA leave. This allows you to receive pay for the length of your FMLA leave coinciding with the accrued paid time off, but does not extend your available FMLA leave time beyond the allotted 12 or 26 weeks.

Any time off from work which qualifies for FMLA leave (including Workers' Compensation Leave or Americans with Disabilities Act leave, sick, vacation or personal time off) will be counted against your FMLA allotment. If it is not immediately apparent that your time off qualified as FMLA leave, but the Company subsequently learns that it did qualify, the Company may retroactively designate such time off as FMLA leave. Absences or tardiness covered by FMLA leave are not considered absences pursuant to the Company's general Attendance or Absenteeism policies and will not be counted towards the Company's maximum leave policy.

For purposes of determining the amount of leave you have used, the fact that a holiday may occur within the week taken as FMLA leave has no effect; the week is counted as a week of FMLA leave. However, if you are using FMLA leave in increments of less than one week, the holiday will not count against your FMLA leave entitlement unless you were otherwise scheduled to work during the holiday. You are not eligible to receive holiday pay during FMLA leave. In addition, after the first 30 days of FMLA leave, you will no longer accrue vacation, personal or sick time.

EMPLOYEE "NOTICE" OBLIGATIONS

If FMLA leave is foreseeable, you must provide the Company with at least thirty (30) days' advance notice of the leave. When the need for FMLA leave is not foreseeable or if 30 days' notice cannot be given, notice as soon as practicable is required.

"As soon as practicable" generally means giving at least verbal notice to the Company the same or next business day after learning of the need to take FMLA leave, i.e., early birth of a child, emergency medical treatment, or a qualifying exigency.

Notice should be given according to the Company's normal absence notice procedure. Failure to timely provide such notice may result in a delay of FMLA benefits and protections from taking effect. You must notify your supervisor as well as the Human Resources Manager in writing of your need for FMLA leave or when absent for any reason that may qualify as FMLA leave. Request for Leave forms are available from the Human Resources Manager.

LEAVE CERTIFICATION AND RECERTIFICATION

If you are requesting leave because of your own or a Covered Relative's serious health condition, the attending health care provider must supply appropriate medical certification before and throughout the leave, as requested by the Company. Appropriate certifications may also be required, as requested by the Company, for Qualifying Exigency Leave and Military Caregiver Leave.

When you request leave, the Company will notify you of any certification requirements and provide the appropriate forms to use. You shall provide the completed certification form to the Company within fifteen (15) calendar days after it is requested by the Company. If you fail to provide timely certification (unless it is not practicable to do so despite your diligent, good faith efforts), the leave will not be considered FMLA leave. Instead, your absence will be considered unscheduled and you will be subject to disciplinary action, up to and including termination, in accordance with the Company's general Attendance and Absenteeism policies.

For the initial certification of your or a Covered Relative's serious health condition, the Company may seek clarification or authentication from the appropriate health care provider of the information provided on the certification form. The Company, at its sole expense, may also require an examination by a second health care provider, designated by the Company, if it reasonably doubts the medical certification your health care provider initially provides. If the second health care provider's opinion conflicts with the original medical certification, the Company, at its sole expense, may require you or the Covered Relative to visit a third health care provider to conduct an examination and provide a final and binding opinion. To facilitate the second/third opinion process, you or the Covered Relative must authorize the release of your medical information pertaining to the condition for which leave is being sought to the second/third health care provider. The Company will not be given personal health care information; it will only be given sufficient information to determine leave status.

The Company may also from time to time request recertification of your or the Covered Relative's serious health condition during the leave. Recertification may be required if: (i) a leave extension is requested, (ii) circumstances regarding the leave or need for leave significantly change, (iii) the Company receives information casting doubt on your stated reason for your absence or the continuing validity of your certification, or (iv) every thirty (30) days for indefinite leaves. Failure to provide the information needed for recertification within the allotted time may result in a denial of continuation of FMLA benefits and protections.

If you take FMLA leave, you must promptly respond to all of the Company's phone calls and written correspondence. While on leave, you also must keep the Company informed at all times of your intention to return to work upon completion of the leave. You are responsible for notifying the Company of any changes accelerating or delaying your anticipated return date.

INTERMITTENT LEAVE OR REDUCED WORK SCHEDULE

Leave because of a serious health condition and Military Caregiver Leave may be taken intermittently (in separate blocks of time) or on a reduced work schedule (reducing the usual number of hours you work per workweek or workday) if medically necessary and practical. When necessary, qualifying exigency leave may also be taken intermittently or on a reduced work schedule.

If a reduced work schedule is implemented, the Company will pay hourly employees only for the hours actually worked. For salaried employees, the Company will reduce employees' salary accordingly. If you need intermittent leave or a reduced work schedule that is foreseeable based on planned medical treatment for you, a Covered Relative, or a Covered Service Member, the Company reserves the right to temporarily reassign you to another position within the Company with equivalent pay and benefits, to minimize the disruption to the Company.

RETURN TO WORK

If you take FMLA leave because of your own serious health condition, you are required to provide a medical certification that you are fit to resume work. If you are on intermittent or reduced schedule leave, the Company may require a medical certification that you are fit to resume work as often as once every thirty (30) days if reasonable safety concerns exist regarding your ability to perform your duties. You may obtain return-to-work medical certification forms from the Human Resources Department. The Company will not permit you to return to work without the return-to-work medical certification form properly completed by your health care provider.

Absences caused by your failure to provide a return-to-work certification will not be entitled to FMLA protection and will be considered unscheduled. Employees with unscheduled absences will be subject to discipline, up to and including termination, in accordance with the Company's general Attendance and Absenteeism policies.

MEDICAL AND OTHER BENEFITS

During an approved FMLA leave, the Company will maintain your health benefits as elected by you prior to the leave and as if you continued to be actively employed. If accrued paid leave is used during the unpaid FMLA leave, the Company will deduct your portion of the health plan premium as a regular payroll deduction. If your leave is unpaid, you must make arrangements with the Company to pay your portion of the health benefits premium. Your health care coverage will cease if your premium payment is more than thirty (30) days late.

Other employee benefits, including life/accidental death and dismemberment insurance, long-term disability insurance and dependent life insurance, will be maintained during FMLA leave in accordance with the Company's general leave policies.

If you elect not to return to work for at least thirty (30) days at the end of the leave period, you will generally be required to reimburse the Company for the cost of all of the health benefit premiums paid by the Company for maintaining coverage during your unpaid leave (including the Company's share of premiums), unless you cannot return to work because of: (i) your own or a Covered Relative's serious health condition; (ii) a serious injury or illness qualifying for Military Caregiver Leave; or (iii) other circumstances beyond your control.

Upon return from leave, all benefits will be resumed in the same manner as provided when the leave began, subject to any changes in the Company's benefit plans and programs that may have taken place during the leave period.

RETALIATION PROHIBITED

Retaliation against you for taking or requesting FMLA leave is prohibited. If you experience or witness such retaliation, you must report it to your supervisor. If you are uncomfortable making such a report to your supervisor or are unsatisfied with how the report was handled, you should report the retaliation to the Human Resources Department or Gary or David Stein.

QUESTIONS ABOUT EMPLOYEE RIGHTS AND RESPONSIBILITIES UNDER THE FMLA

Included below is a copy of the Department of Labor's Notice to Employees of Rights under the FMLA. If you have questions relating to your rights and responsibilities under the FMLA, you are advised to consult this Notice and/or to request additional information from the Human Resources Manager.

UNLESS OTHERWISE SPECIFIED, THE RULES APPLICABLE TO ALL LEAVES AND ABSENCES DESCRIBED ABOVE APPLY TO FMLA LEAVE.

Appendix C to Part 825--Notice to Employees Of Rights Under FMLA (WH Publication 1420) EMPLOYEE RIGHTS AND RESPONSIBILITIES

UNDER THE FAMILY AND MEDICAL LEAVE ACT

Basic Leave Entitlement

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or tester care;
- To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

Military Family Leave Entitlements

Eligible employees with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered servicemember is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty on active duty that may render the servicemember medically unfit to perform his or her duties for which the servicemember is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

Benefits and Protections

During FMLA leave, the employer must maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.

Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

Eligibility Requirements

Employees are eligible if they have worked for a covered employer for at least one year, for 1,250 hours over the previous 12 months, and if at least 50 employees are employed by the employer within 75 miles.

Definition of Serious Health Condition

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

Use of Leave

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Substitution of Paid Leave for Unpaid Leave

Employees may choose or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the employer's normal paid leave policies.

Employee Responsibilities

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures.

Employees must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

Employer Responsibilities

Covered employers must inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility.

Covered employers must inform employees if leave will be designated as FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

Unlawful Acts by Employers

FMLA makes it unlawful for any employer to:

- Interfere with, restrain, or deny the exercise of any right provided under FMLA;
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

Enforcement

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

FMLA section 109(29 U.S.C. § 2619) requires FMLA covered employers to post the text of this notice. Regulations 29 C.F.R. § 825.300(a) may require additional disclosures.

For additional information:
1-866-4US-WAGE (1-866-487-9243) TTY: 1-877-889-5627
WWW.WAGEHOUR.DOL.GOV

51VHD
U.S. Wage and Hour Division

PAID TIME OFF FOR THE BIRTH OR ADOPTION OF A CHILD

The Company will provide three consecutive paid days off when you give birth to or adopt a baby. This includes mothers, as well as fathers. The Company knows this is a special time and wants you to be able to be part of this event. This paid time off is not available if you are already on a leave of absence other than one due to the birth or adoption of this child.

UNLESS OTHERWISE SPECIFIED, THE RULES APPLICABLE TO ALL LEAVES AND ABSENCES DESCRIBED ABOVE APPLY TO PAID TIME OFF FOR THE BIRTH OR ADOPTION OF A CHILD.

PAID TIME OFF FOR BEREAVEMENT LEAVE

The Company will provide paid days off on account of a death occurring in the immediate family under the following conditions.

- Employees are allowed five days of paid leave in the event of the death of the Employee's spouse, child, father, mother, brother or sister.
- Employees are allowed three days of paid leave in the event of the death of the Employee's stepchild, step parent, step brother or sister, father-in-law, mother-in-law, brother or sister-in-law, son or daughter-in-law, grandparent, grandchild, or spouse's grandparent.

Additional unpaid time off for bereavement may be allowed at the Company's discretion.

UNLESS OTHERWISE SPECIFIED, THE RULES APPLICABLE TO ALL LEAVES AND ABSENCES DESCRIBED ABOVE APPLY TO PAID TIME OFF FOR BEREAVEMENT LEAVE.

PAID TIME OFF FOR JURY OR WITNESS DUTY

The Company will provide paid time off for jury duty, appearing at trial as a crime victim, or serving as a witness under a court order or subpoena. You must provide your supervisor a copy of the court order or subpoena when requiring time off to serve as a witness. A copy of the check for jury duty should also be given to the Human Resources Department to substantiate the number of days off for jury duty. If you are released from serving as a juror or witness before half of your scheduled shift or workday has expired, you are required to return to work for the rest of that day. Time off for court appearances as a party to any civil or criminal litigation is not included under this policy. You must arrange for time off without pay or use accrued vacation for such court appearances.

UNLESS OTHERWISE SPECIFIED, THE RULES APPLICABLE TO ALL LEAVES AND ABSENCES DESCRIBED ABOVE APPLY TO PAID TIME OFF FOR JURY OR WITNESS DUTY.

UNPAID TIME OFF FOR VOTING

Voting booths are open from 7 a.m. until 7 p.m. on election days and are open for early voting on certain scheduled days before the election. If your work schedule does not allow you to vote during the regular poll hours, you should notify your supervisor so arrangements can be made for you to vote. The Company encourages you to exercise your civic duties.

MILITARY LEAVE

If you require time off from work to fulfill military duties, you will be treated in accordance with applicable requirements of state and federal law. You must notify the Company of upcoming military duty by immediately providing a copy of the orders to the Human Resources Department. For more information about your rights and duties with respect to military leave, contact the Human Resources Department.

LEAVE OF ABSENCE WITHOUT PAY

If you desire a leave of absence from work for reasons other than those covered by the leaves described above, you may request such a leave from your supervisor. The request must be made in writing and the reason for, and length of, the requested leave must be specified. Such leaves are granted rarely and only in extenuating circumstances or as required by law. All decisions are in the sole discretion of the Company. Factors to be considered in granting such a leave include: purpose of the leave; requested duration of the leave; plans for return to active employment; potential disruption to the department and the Company; the effect of your absence and the Company's ability to fill the gap; and your service, performance, growth, potential, etc.

If granted, you will be placed in non-pay status for the duration of the leave. Company and employee contributions to any 401(k) are suspended during an unpaid leave of absence. There is no vacation and sick time accrual during this unpaid leave, even during the first 30 days of leave.

UNLESS OTHERWISE SPECIFIED, THE RULES APPLICABLE TO ALL LEAVES AND ABSENCES DESCRIBED ABOVE APPLY TO ALL LEAVES OF ABSENCE WITHOUT PAY.

© Triple-S Steel Operations L.P. This Handbook and its contents are the property of the Company and must be returned upon resignation or termination of employment.

ACKNOWLEDGEMENT OF RECEIPT

I acknowledge that I have received and read a copy of the Triple S Steel Supply (the "Company") Employee Handbook updated as of _201_. I understand that this handbook replaces any and all prior verbal and written handbooks or other communications regarding Triple S Steel Supply's working conditions, policies and procedures. I have initialed each paragraph below to signify my understanding.

I understand that the policies described in this handbook are confidential and may not be distributed in any way nor discussed with anyone who is not an employee of the Company. I have read and understand the contents of this handbook and will act in accordance with these policies as a condition of my employment with the Company.

If I have questions or concerns at any time about the contents of this handbook, I will consult the Human Resources department for clarification.

I have read and understand the Company's Equal Employment Opportunity and Anti-Harassment/Anti- Discrimination policies.

I am not aware of any actual or potential violations of the policies contained in this handbook, including but not limited to the policies concerning discrimination and harassment and retaliation, the appropriate use of Company resources such as computers, internet access and telephones, the confidentiality of proprietary, confidential and trade secret Company information, and appropriate workplace conduct.

I understand I have no reasonable expectation of privacy in using the Company telephone, computer, e-mail, and voicemail systems, as well as the Company internet account. I specifically consent to the terms of this policy including the Company's ability to review or intercept messages or content on the Company systems.

I agree to immediately report to the Human Resources department any potential or actual violations of Company policies of which I become aware, whether they concern me or others.

I understand my employment is at-will, which means either the Company or I can terminate my employment relationship at any time, with or without cause, and with or without notice. This employment-at-will relationship is in effect regardless of any other written statements or policies contained in this handbook, in any other Company documents, or in any verbal statements to the contrary. Further, no one except the President of the Company can enter into any agreement, which alters the employment-at-will relationship. To be enforceable, any such agreement must be in writing, and signed by me and the President of the Company. I further understand that this acknowledgment in no way impacts my ability to engage in concerted activities regarding the terms and conditions of my employment under the National Labor Relations Act.

I have read this handbook carefully before signing and understand these conditions of employment.

Employee Signature

Date

Employee Name (Please Print)