



# Employee Handbook

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## Welcome

For employees who are commencing employment with Abbesside Construction, Inc. (ACI), on behalf of ACI, let me extend a warm and sincere welcome.

For employees who have been with us, thanks for your past and continued service.

I extend my personal best wishes for success and happiness here at (Company). We understand that it is our employees who provide the services that our customers rely upon, and who will enable us to create new opportunities in the years to come.

Mike Coleman  
President

## Brief History and Mission Statement of ACI

Abbesside Construction, Inc. (ACI) was founded in San Francisco by Michael Coleman in 2008 as a preconstruction, construction management, and general contracting firm. With its focus on multi-family and mixed-use development projects, the firm quickly expanded to Southern California. ACI has since developed an impressive portfolio of luxury high-density residential and mixed-use projects in California and has become a preferred construction partner for premier developers, owners, and investors. We provide services throughout all phases of development, from due diligence through construction completion. Our clients range from large, international development companies to local general contracting companies.

Our mission is to safely build beautifully crafted, high-quality projects. We value honesty, work quality, and thoughtful decision-making in our employees and our clients. We see ourselves as partners with our clients, providing superior construction insights, advice, and service throughout all phases of the construction process.

Highlights of ACI's projects, services, and key staff can be found on our public website, [www.abbessideconstruction.com](http://www.abbessideconstruction.com)

## Introduction

This handbook is designed to help employees get acquainted with Abbesside Construction, Inc. hereinafter referred to as "ACI" or "the Company". It describes some of our philosophies and beliefs, and the basic terms and conditions of employment with ACI. Employees are expected to read this handbook carefully, and to know and understand its contents.

ACI reserves the right to make changes to this handbook and to any employment policy, practice, work rule, or benefit, at any time without prior notice. Employees are responsible for knowing about and understanding those changes once they have been disseminated. ACI also reserves the right to interpret the provisions of this handbook. For this reason, employees should check with the Business Operations Manager to obtain information regarding specific employment guidelines, practices, policies, or procedures. Except as otherwise provided in this handbook, no one has the authority to make any promise or commitment contrary to what is in this handbook.

Employees should not interpret anything in this handbook as creating a contract or guarantee of continued employment. In addition, this handbook is not intended to cover all possible situations that may arise in your employment relationship with ACI.

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

This handbook is the property of ACI, and it is intended for the personal use and reference by employees of ACI.

This handbook replaces all earlier handbooks, supersedes all prior inconsistent policies, practices and procedures, is the property of the Company, and it is intended for personal use and reference by employees of the Company.

Employees must sign the acknowledgement form at the end of this handbook, tear it out, and return it to the Human Resources Department (or if delivered via an electronic format: click on the box as indicated, type their name and the date, as applicable, and hit "enter"). This will provide the Company with a record that each employee has received, read and understood this handbook.

## Employment At-Will

All employment at ACI is "at-will." This means that both employees and ACI have the right to terminate employment at any time, with or without advance notice, and with or without cause. Employees also may be demoted or disciplined, and the terms of their employment may be altered at any time, with or without cause, at the discretion of ACI. No one other than an officer of ACI has the authority to alter this arrangement, to enter into an agreement for employment for a specified period of time, or to make any agreement contrary to this at-will status. Any such agreement must be in writing, must be signed by an officer of ACI, and must express a clear and unambiguous intent to alter the at-will nature of the employment relationship.

Nothing contained in this Handbook, or any other documents provided to employees is intended to be, nor should it be, construed as a guarantee that employment (or any benefit) will be continued for a specific time period. For example, any salary figures provided to an employee in annual or monthly terms are stated for the sake of convenience. They are not intended to create an employment contract for one or more months. Employees should ask the Business Operations Manager if they have any questions about their status as an employee at-will.

## Equal Employment Opportunity

It is ACI's policy to provide equal employment opportunity for all applicants and employees. ACI does not unlawfully discriminate on the basis of actual or perceived race (including hair texture and natural hair styles), color, religion, religious creed (including religious dress and religious grooming practices), reproductive health decision making, sex (including pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions), gender, gender identity (including transgender identity, status and transitioning), gender expression and sex stereotyping, national origin, ancestry, citizenship, age, physical or mental disability, legally protected medical condition or information (including genetic information and HIV/AIDS status), family care or medical leave status, military caregiver status, military status, veteran status, marital status, domestic partner status, sexual orientation, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, engaging in protected communications regarding employee wages, requesting a reasonable accommodation on the basis of disability or bona fide religious belief or practice, any combination of two or more of these protected classes, or any other basis protected by local, state, or federal laws. Consistent with the law, ACI also makes reasonable accommodations for disabled applicants and employees; for pregnant employees who request an accommodation with the advice of their health care providers, for pregnancy, childbirth, or related medical conditions; for employees who are

victims of domestic violence, sexual assault, or stalking; and for applicants and employees based on their religious beliefs and practices.

ACI will endeavor to accommodate the sincere religious beliefs of its employees to the extent such accommodation does not pose an undue hardship on ACI's operations. If employees wish to request such an accommodation, they should contact the Business Operations Department.

ACI prohibits sexual harassment and the harassment of any individual on any of the other bases listed above. For information about the types of conduct that constitute impermissible harassment and ACI's internal procedures for addressing complaints of harassment, and the legal remedies available through and complaint procedures of the appropriate state and federal agencies and directions on how to contact these agencies, please refer to ACI's Policy Against Harassment, Discrimination, and Retaliation in this Handbook.

This policy applies to all areas of employment including recruitment, hiring, training, promotion, compensation, benefits, transfer, disciplinary action, and social and recreational programs. It is the responsibility of every manager and employee to conscientiously follow this policy. Any employee having any questions regarding this policy should discuss them with the Business Operations Department.

## National Labor Relations Act Activity

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## Applicants and Employees with Disabilities

ACI is committed to providing equal employment opportunities for all qualified individuals with disabilities in accordance with the federal Americans with Disabilities Act and applicable State disability laws. In accordance with these laws, ACI strictly forbids all forms of unlawful discrimination, harassment, or retaliation against qualified applicants or employees with disabilities, and for pregnant employees who so request for pregnancy, childbirth, or related medical conditions, and requires reasonable accommodation if necessary for such individuals to perform the essential functions of their jobs safely and efficiently without undue hardship to ACI and without serious risk to the health and safety of others.

Applicants and employees who require accommodation of any disability should inform ACI of their needs. ACI may have no way of knowing whether an individual requires an accommodation unless they bring it to the attention of ACI. ACI will engage in an interactive conversation to determine if there is a reasonable accommodation that can be provided that will not cause ACI undue hardship and will treat all such information as confidential to protect privacy rights under laws such as HIPAA, but some disclosure will be necessary to fulfill the purposes of this policy.

Employees who are made aware that an applicant or employee has a disability should presume that the information is confidential and discuss it only with upper management and Business Operations, unless the employee has disclosed or consented to further disclosure.

Discrimination, harassment, or retaliation against an individual because they are considered disabled or has been given accommodation for a disability is absolutely forbidden and grounds for immediate termination. Employees who believe they have been harassed in violation of this policy may file a complaint under ACI's policy on Equal Employment Opportunity.

## Reasonable Accommodations for Pregnant Workers Policy

As required by the federal Pregnant Workers Fairness Act (PWFA), the Company will provide reasonable accommodations to employees and applicants with limitations related to pregnancy, childbirth or related medical conditions, unless the accommodation will cause undue hardship to the Company's operations.

An employee or applicant may request an accommodation due to pregnancy, childbirth or a related medical condition by submitting the request in writing to human resources (HR). The accommodation request should include an explanation of the pregnancy-related limitations, the accommodation needed and any alternative accommodation(s) that might be reasonable. Depending on the nature of the accommodation, the individual may be requested to submit a statement from a health care provider substantiating the need for the accommodation.

Upon receipt of a request for accommodation, HR will contact the employee or applicant to discuss the request and determine if an accommodation is reasonable and can be provided without significant difficulty or expense, i.e., undue hardship.

While the reasonableness of each accommodation request will be individually assessed, possible accommodations include allowing the individual to:

- Sit while working.
- Drink water during the workday.
- Receive closer-in parking.
- Have flexible hours.
- Receive appropriately sized uniforms and safety apparel.
- Receive additional break time to use the bathroom, eat and rest.
- Take time off to recover from childbirth.
- Be excused from strenuous activities and/or activities that involve exposure to compounds deemed unsafe during pregnancy.

An employee may request paid or unpaid leave as a reasonable accommodation under this policy; however, the Company will not require an employee to take time off if another reasonable accommodation can be provided that will allow the employee to continue to work.

The Company prohibits any retaliation, harassment or adverse action due to an individual's request for accommodation under this policy or for reporting or participating in an investigation of unlawful discrimination under this policy.

## Policy Against Harassment, Discrimination and Retaliation

## I. Purpose of Policy

ACI is committed to providing a workplace free of unlawful harassment and discrimination. This includes sexual harassment (which includes harassment based on pregnancy, perceived pregnancy, childbirth, breastfeeding, or related medical conditions) and harassment based on actual or perceived gender, gender identity (including transgender identity, status and transitioning), gender expression and sex stereotyping, as well as harassment based on such factors as race (including hair texture and natural hair styles), color, religion, religious creed (including religious dress and religious grooming), reproductive health decision making, national origin, ancestry, citizenship, age, physical or mental disability, legally-protected medical condition or information (including genetic information and HIV/AIDS status), family care or medical leave status, military caregiver status, military status, veteran status, marital status, domestic partner status, sexual orientation, status as a victim of domestic violence, sexual assault or stalking, enrollment in a public assistance program, engaging in protected communications regarding employee wages, requesting a reasonable accommodation on the basis of disability or bona fide religious belief or practice, any combination of two or more of these protected classes, or any other basis protected by federal, state, or local laws. ACI strongly disapproves of and will not tolerate harassment of or discrimination against applicants, employees, interns, or volunteers by managers, supervisors, co-workers or third parties with whom employees come into contact. Similarly, ACI will not tolerate harassment by its employees of non-employees with whom ACI employees have a business, service, or professional relationship.

## II. Harassment Defined

Harassment includes verbal, physical, and visual conduct that creates an intimidating, offensive, or hostile working environment or that interferes with an employee's work performance. Such conduct constitutes harassment when (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission or rejection of the conduct is used as the basis for an employment decision; or (3) the harassment interferes with an employee's work performance or creates an intimidating, hostile, or offensive work environment.

Harassing conduct can take many forms and may include, but is not limited to, the following: slurs, jokes, insults, statements, gestures, teasing, assault, impeding or blocking another's movement or otherwise physically interfering with normal work, pictures, posters, symbols, drawings, or cartoons, violating someone's "personal space" (for example by blocking someone's way) foul or obscene language, leering, stalking, staring, unwanted or offensive letters or poems, offensive email or voicemail messages, or any kind of verbal, visual or physical conduct that denigrates or shows hostility or aversion towards an individual because of any protected characteristic.

Sexually harassing conduct in particular may include all of these prohibited actions, as well as other unwelcome conduct, such as requests for sexual favors, conversation containing sexual comments, and other unwelcome sexual advances. Sexually harassing conduct can be by a person of either the same or opposite sex. Sexually harassing conduct need not be motivated by sexual desire to be violative of this policy.

## III. Reporting and Investigating Harassing, Discriminatory and Retaliatory Conduct

All employees, independent contractors, interns, and volunteers of ACI must promptly report any incidents of harassment, discrimination, and retaliation so that ACI can take appropriate action.

### A. Complaint Reporting Process

It is the responsibility of all of us to contribute to a work environment that is free of unlawful bias, discrimination, harassment, and retaliation. Failure to bring forth a complaint prevents ACI from having the opportunity to correct the situation.

Any incidents of discrimination, harassment, or retaliation, including work-related harassment by any ACI personnel or any other person, or any conduct believed to violate this policy, must be reported immediately to the Business Operations Manager, who is responsible for investigating harassment complaints. An individual is not required to bring a complaint to Business Operations Manager if the individual is uncomfortable doing so for any reason. In that case, complaints should be reported to the President.

Managers and supervisors have a special responsibility under this policy. All levels of management and all supervisors are responsible for compliance with this Policy Against Harassment, Discrimination, and Retaliation AND for ensuring that everyone in their department is aware of, understands and adheres to this policy. Supervisors and managers who receive complaints or who observe or learn of discriminatory, harassing, or retaliatory conduct must immediately inform the Business Operations Manager so that an investigation may be initiated.

In addition to notifying the Company about harassment, discrimination or retaliation complaints, affected employees may also direct their complaints to the California Civil Rights Department (CRD), which has the authority to conduct investigations of the facts. The deadline for filing complaints with the CRD is three years from the date of the alleged unlawful conduct. If the CRD believes that a complaint is valid and settlement efforts fail, the CRD may file a lawsuit in court. The courts have the authority to award monetary and non-monetary relief in meritorious cases. Employees can contact the nearest CRD office at the locations listed in the Company's CRD poster or by checking the CRD's website <https://calcivilrights.ca.gov/resources> or the State Government listings in the local telephone directory. The CRD Internet Web site address, where employees may locate sexual harassment online training courses developed by the CRD, is <https://calcivilrights.ca.gov/resources>.

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## IV. Corrective Action

ACI prohibits conduct severe enough to be unlawful. Yet even more, ACI's workplace conduct standards also prohibit conduct and comments which are not severe enough to violate state or local or federal law—but which are still inappropriate in the workplace. For example, ACI prohibits abusive conduct in the workplace—whether or not it is based on a protected category.

As a result, ACI will take prompt, appropriate, and effective corrective action (e.g., remedial measures) any time it is established that discrimination, harassment, or retaliation in violation of this policy has occurred—whether or not such violation also violates the law.

Corrective action may include, for example: training, referral to counseling, or disciplinary action ranging from a verbal or written warning to termination of employment, depending on the circumstances. With regard to acts of harassment or discrimination by customers or vendors, corrective action will be taken after consultation with the appropriate management

personnel.

ACI will not tolerate retaliation against any employee for making a good faith complaint of harassment, discrimination, or retaliation, or for cooperating in an investigation.

## V. Anti-Harassment Training

In keeping with ACI's commitment to a professional work environment free of unacceptable harassment (whether unlawful or not), ACI requires that every employee undergo interactive sexual harassment training as follows:

- All employees shall undergo at least one (1) hour of such training within six (6) months of hiring and at least every (2) years thereafter.
- Employees hired as, or promoted to, a supervisory or management position must undergo at least two (2) hours of interactive sexual harassment training at least once every two (2) years
- Temporary workers: If the worker is providing services to ACI through a third-party temporary services provider, such provider is obligated to properly train the worker. Where no third-party provider is involved, temporary workers engaged for fewer than six (6) months must undergo one (1) hour of training by ACI either (i) within the 30-calendar-day period after their hire date, or (ii) by the point when they have worked 100 hours, whichever occurs first.

Among the topics addressed by ACI's interactive anti-harassment training are the prevention of abusive conduct in the workplace and of harassment based on gender identity, gender expression, and sexual orientation.

An employee who fails to comply with this section may be subject to disciplinary action, up to and including termination of employment.

## VI. Zero Tolerance

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

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

## Introductory Period

ACI attempts to hire the most-qualified employees for each position. To ensure this, ACI provides for an introductory period of employment for the employee to assess ACI and the job content, and for ACI to evaluate the new employee and their job performance. All new employees must complete to ACI's satisfaction a 90-day introductory period beginning with the date of initial employment. Consistent with ACI's Employment At-Will policy, during the introductory period, an employee may be

discharged by ACI for any reason and without advance notice. Similarly, the employee may resign employment for any reason without advance notice during this period. Completion of the introductory period does not alter the employee's at-will status.

At ACI's discretion, an employee's introductory period may be extended one or more times. Employees earn vacation and accrue paid sick time from the first day of employment. On successful completion of the introductory period, an employee will become a regular employee. Successful completion of the introductory period does not, however, guarantee employment for any specific duration or change the at-will status of regular employment.

## Proof of Right To Work

The Company is committed to full compliance with the federal immigration laws. The Company will not knowingly hire or continue to employ anyone who does not have the legal right to work in the United States. As a condition of employment, all employees are required to complete a DHS Employment Eligibility Verification form (Form I-9) and present acceptable documentation verifying their identity and right to work in the United States in accordance with federal and State immigration law.

## Employment of Minors

The Company will not employ any person under the age of 18.

## Employment of Relatives

Relatives of present employees may be hired by ACI only if (1) the individuals concerned will not work in a direct supervisory relationship with one another (2) relatives not working on the same project together in ACI's situation, and (3) the employment will not pose difficulties for supervision, security, safety, or morale. "Relatives" are defined as spouses, children, sisters, brothers, mothers, or fathers, and persons related by marriage. Present employees who marry or who become related by marriage will be permitted to continue employment with ACI only if they do not work in a direct supervisory relationship with one another, or otherwise pose difficulties for supervision, security, safety, or morale. If employees who marry or who become related by marriage do work in a direct supervisory relationship with one another, ACI will attempt to reassign one of the employees to another position for which they are qualified, if such a position is available. If no such position is available, then one of the employees will be required to leave ACI. The decision as to which employee leaves will be left solely to the employees. In the event that no alternative position is available and neither employee voluntarily leaves ACI, the employee with lesser seniority will be terminated.

## Non-Fraternization

In order to promote the efficient operation of ACI's business and to avoid misunderstandings, complaints of favoritism; other problems of supervision, security and morale; and possible claims of sexual harassment, managers and supervisors are forbidden from dating or pursuing romantic or sexual relationships with employees whom they supervise, directly or indirectly. Employees who violate this guideline will be subject to discipline, up to and including termination of employment.

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision

of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## Recruitment of New Employees

ACI aggressively recruits to attract top-caliber individuals to all levels of the organization. Vacant or new positions may be filled by either transfer or promotion of existing employees, or by new employees who are recruited or apply to ACI. Recruitment may be conducted through advertising, employment agencies, schools, employee referrals, technical and trade referrals, or through other means as determined by ACI. Management will consider the most appropriate method for recruitment in filling Departmental positions. All recruitment will be conducted in an ethical, professional, and nondiscriminatory manner. ACI provides equal opportunity to all applicants based on demonstrated ability, experience and training in accordance with ACI's Equal Employment Opportunity Policy.

## Employment Applications

ACI relies upon the accuracy of information provided by an applicant in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentation, falsification, or material omission by an applicant in any of this information or data may result in revocation of any offer or immediate termination of employment, regardless of when it is discovered.

## Rehire Eligibility and Service Recognition

Where business needs dictate, it is the policy of ACI to rehire former employees who: a) voluntarily left company employment or b) were laid off due to business slowdown(s). To be eligible for rehire, former employees must have possessed a satisfactory record of service. This policy sets forth ACI's philosophy governing eligibility for reemployment and associated bridging of service (service recognition), where appropriate.

### I. Eligibility for Rehire

Employees who completed their company introductory period and who were part of a reduction in force, as well as those employees who voluntarily resigned, will be eligible for rehire as long as they had a satisfactory work record while employed by ACI.

### II. Ineligibility for Rehire

Former employees who had a less-than-satisfactory work record appropriately noted at termination as not being eligible for rehire are excluded from rehire consideration.

Employees who were involuntarily terminated by ACI or who were laid off (with a less-than-satisfactory work record) or who failed to complete their company introductory period will not be considered for rehire.

### III. Service Restoration Rules for Eligible Employees

If a former employee with less than one year's prior service is rehired, the employee will be considered a new employee and will not be eligible for prior service recognition for seniority or benefits plan participation purposes.

If a former employee with more than one year's prior service is rehired, the employee's seniority and eligibility to participate in ACI benefits plans will be bridged if the employee is rehired and the period of prior company service exceeded the duration of the period of absence. Service recognition will include prior service recognition for accrued leave plans.

If a former employee with more than one year's prior service is rehired and the duration of the period of absence exceeded the period of prior company service, the employee will be considered a new employee and will not be eligible for prior service recognition for seniority or benefits plan participation purposes.

#### **IV. Rehire Service Date Adjustment**

When recognition of prior service is granted, a rehired employee's company service date will be adjusted in accordance with the service restoration rule.

### **Conflicts of Interest**

Employees are expected to devote their best efforts and attention to the full-time performance of their jobs. Moreover, employees are expected to use good judgment, to adhere to high ethical standards, and to avoid situations that create an actual or potential conflict between their personal interests and the legitimate business interests of ACI. A conflict of interest exists when the employee's loyalties or actions are divided between ACI's interests and those of another, such as a competitor, supplier, or customer. Both the fact and the appearance of a conflict of interest should be avoided. Employees unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with their immediate supervisor or the Business Operations Manager for clarification. Any exceptions to this guideline must be approved in writing by ACI's President.

While it is not feasible to describe all possible conflicts of interest that could develop, some of the more common conflicts that employees should avoid include the following:

- 1) Accepting personal gifts or entertainment from competitors, customers, suppliers, or potential suppliers;
- 2) Working for a competitor, supplier, or customer without prior ACI approval;
- 3) Engaging in self-employment in competition with ACI;
- 4) Using proprietary or confidential ACI information, such as ACI trade secrets, for personal gain or to ACI's detriment;
- 5) Having a direct or indirect financial interest in or relationship with a competitor, customer, or supplier;
- 6) Using ACI property or labor for personal use;
- 7) Acquiring any interest in property or assets of any kind for the purpose of selling or leasing it to ACI;
- 8) Committing ACI to give its financial or other support to any outside activity or organization; or
- 9) Developing a personal relationship with a subordinate employee of ACI or with an employee of a competitor, supplier, or customer that might interfere with the exercise of impartial judgment in decisions affecting ACI or any employees of ACI.

If an employee or someone with whom an employee has a close relationship (e.g., a family member or close companion) has a financial or employment relationship with a competitor, customer, supplier, or potential supplier, the employee must disclose this fact in writing to the Business Operations Department. Employees should be aware that if they enter into a personal relationship with a subordinate employee or with an employee of a competitor, supplier, or customer, a conflict of interest may exist, which requires full disclosure to ACI.

Part-time employees may engage in outside employment, provided that they disclose such employment and get written approval from their immediate supervisor.

Failure to adhere to this guideline, including failure to disclose any conflicts or to seek an exception, may result in discipline, up to and including termination of employment.

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## Open-Door Policy

ACI has a specific procedure detailed in the separate Policy Against Harassment, Discrimination and Retaliation that should be used to report concerns or complaints related to possible sexual harassment, or other forms of harassment, discrimination, or retaliation based on a protected category. Separately, ACI has an Open-Door Policy that encourages employees to participate in decisions affecting them and their daily professional responsibilities. Employees who have job-related concerns or complaints are encouraged to discuss them with their supervisor or any other management representative with whom they feel comfortable. ACI believes that employee concerns are best addressed through this type of informal and open communication.

Employees are encouraged to raise work-related concerns with their immediate supervisor, or with a supervisor or other management representative of their choice, as soon as possible after the events that cause the concern. Employees are further encouraged to pursue discussion of their work-related concerns until the matter is fully resolved. Although ACI cannot guarantee that in each instance the employee will be satisfied with the result, ACI will attempt in each instance to explain the result to the employee if the employee is not satisfied. ACI will also attempt to keep all such expressions of concern, the results of any investigation, and the terms of the resolution confidential. In the course of investigating and resolving the matter, however, some dissemination of information to others may be necessary or appropriate. No employee will be disciplined or otherwise penalized for raising a good-faith concern.

Employees who conclude that work-related concerns should be brought to the attention of ACI by written complaint and formal investigation may avail themselves of the "Employee Complaint Reporting Procedure" set forth in this Handbook/Manual.

## Employee Complaint Reporting Procedure

### I. Purpose and Scope

The purpose of this Procedure for Reporting Employee Complaints is to establish a process for all employees of ACI to use to notify ACI of their work-related concerns, and to give ACI the opportunity to learn about, address, and resolve the complaint. This policy is intended to supplement the Open-Door Policy set forth in this Handbook/Manual, which states ACI's philosophy that all employees have free access to their immediate supervisors or to other ACI supervisors of their choice to informally express their work-related concerns. As noted in the Open-Door Policy, ACI has a specific procedure detailed in its Policy

Against Harassment, Discrimination, and Retaliation that should be used to report concerns or complaints related to possible sexual harassment, or other forms of harassment, discrimination, or retaliation based on a protected category.

Importantly, when the nature of the concern pertains to an actual or suspected violation of the law, or an ethical violation, including under ACI's Rules of Conduct and/or ethics and business code, all employees, directors, and officers of ACI are required to file a complaint using the procedure below. This includes reporting any activity that is considered by the person making the complaint to be illegal or dishonest. Examples of illegal and dishonest activities are violations of federal, state or local laws; billing for services not performed or for goods not delivered; and other fraudulent financial reporting. Any questions regarding whether a concern is subject to this mandatory reporting policy should be resolved in favor of filing the complaint.

## **II. Procedure**

### **A. Filing of Complaint**

Individuals should file written complaints with the Business Operations Department as soon as possible after the events that give rise to the work-related concerns. The written complaint should set forth in detail the bases for the complaint.

Alternative reporting method: If, for any reason, an individual would prefer not to discuss the subject of the concern with the individual identified above, then they must report the concern as soon as possible to the President.

### **B. Investigation**

The Business Operations Department will date and log all written complaints and send the employee an acknowledgment that the complaint is under review.

The Business Operations Department or the employee's/its designee will investigate the complaint, meeting separately with the employee and with others who either are named in the complaint or who may have knowledge of the facts set forth in the complaint. ACI will attempt to treat all internal complaints and their investigation as confidential, recognizing, however, that in the course of investigating and resolving internal complaints some dissemination of information to others may be necessary or appropriate.

On completion of the investigation, the Business Operations Department will orally report its findings and conclusions to the employee. If the complaint is resolved to the employee's satisfaction, the terms of the resolution should be recorded and signed by both the employee and a representative of the Business Operations Department.

### **C. Appeal**

If the complaint is not resolved to the employee's satisfaction, the employee may submit a written request for review of the complaint to the President. On completion of the appeal review, the employee should receive an oral explanation of the conclusion reached and the reasons for that conclusion. Decisions resulting from appeal reviews will be final.

### **D. Non-Retaliation**

ACI will not tolerate retaliation against individuals for: reporting a good faith concern under this policy; participating in or cooperating in any internal investigations of reported concerns; or otherwise engaging in conduct protected by law.

Prohibited retaliation can be adverse employment actions, like termination, compensation decreases, or poor work assignments, or even threats of physical harm.

Such retaliation is a separate violation of ACI policy. It also may violate applicable law. (For example, a complaint may qualify as protected "whistleblowing" under an applicable law that prohibits retaliation due to whistleblowing).

Anyone who believes that they have been retaliated against for reporting a good faith concern, for participating in or cooperating in an internal investigation of a concern, or for exercising their rights, or otherwise engaging in conduct protected by law, should immediately notify ACI using the same Procedure described above.

### **E. Defend Trade Secrets Act Notice**

Pursuant to the Defend Trade Secrets Act, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. If an employee files a lawsuit for retaliation by ACI for reporting a suspected violation of law, the employee may disclose the trade secret to the employee's attorney and use the trade secret information in the court proceeding, if the employee (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order. In the event that disclosure of ACI trade secrets was not done in good faith pursuant to the above, the employee may be subject to substantial damages, including punitive damages and attorneys' fees.

### **F. National Labor Relations Act Activity**

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## **Performance and Pay Reviews**

ACI will attempt to conduct periodic performance reviews for employees. Employees generally receive performance evaluations annually.

The purposes of the review are to evaluate the employee's current level of performance, to examine the progress made since the last review, and to establish goals for the employee's next review. During their performance reviews, employees are encouraged to discuss any issues raised, as well as any opportunities for advancement or career development within ACI.

After receiving their performance evaluations, employees will be required to sign the evaluation acknowledging that they have received the evaluation and are aware of its contents. A copy of the performance evaluation will then be placed in the employee's personnel file. In addition to these formal performance evaluations, ACI encourages employees and supervisors to discuss job performance on a frequent and ongoing basis.

Satisfactory performance reviews will not necessarily result in wage increases. Likewise, unsatisfactory performance reviews typically will not result in wage decreases. Rather, wage adjustments may be made at any time in the sole discretion of ACI.

## **Record Retention**

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

## **Employee Classifications**

### **I. Introductory Employees**

The term "introductory employees" is sometimes used in this Handbook/Manual to refer to those employees who are within their introductory period, i.e., the first 90 days of employment with ACI. At the ACI's discretion, the introductory period may be extended for an additional period.

### **II. Regular Full-Time Employees**

An employee who successfully completes the introductory period (including any extension) and is regularly scheduled to work an average of 30 or more hours per week for a period of indefinite duration, is referred to as a regular full-time employee.

### **III. Regular Part-Time Employees**

An employee who successfully completes the introductory period (including any extension) and is regularly scheduled to work fewer than an average of 30 hours per week for a period of indefinite duration, is referred to as a regular part-time employee.

### **IV. Temporary Employees**

Temporary employees are persons hired to work on special assignment with the understanding that such work will be completed within a specified period of time, usually not to exceed six (6) months. Temporary employees do not become regular employees as a result of the passage of time.

### **V. Exempt/Nonexempt Employees**

Exempt employees, by definition, are exempt from earning overtime compensation and generally receive the same weekly salary regardless of hours worked. Nonexempt employees are employees who are eligible to be paid for overtime work in accordance with the provisions of applicable wage and hour laws. Overtime pay requirements are set forth in the section of this Handbook/Manual entitled "Hours of Work, Overtime, and Pay Day". Employees will be informed of these classifications upon hire and informed of any subsequent changes to the classifications.

### **VI. Salaried Employees**

Salaried employees are employees who are paid a fixed amount on a periodic basis and not by the hour. Salaried employees are Exempt employees.

## VII. Hourly Employees

Hourly employees are employees whose wages are paid by the hour. Their wages fluctuate according to the number of hours they work. Hourly employees are Nonexempt employees.

## VIII. Change in Employment Status

ACI may change the employment classification of any employee at any time based on the nature of the employment assignment.

## Hours of Work, Overtime and Pay Day

### I. Hours of Work

ACI business hours are from 7 a.m. to 5 p.m., Monday through Sunday. Employees will be assigned a work schedule and will be expected to begin and end work according to the schedule. To accommodate the needs of the business, at some point ACI may need to change individual work schedules on either a short-term or long-term basis.

### II. Day of Rest

ACI provides all employees at least one day's rest in each workweek. Employees are entitled, encouraged, and expected to take their days of rest provided under this policy.

Exceptions to the day-of-rest requirement will be made only in the following situations:

- When employees work no more than six hours on any one day, and no more than 30 hours total, in the workweek.
- When employees are required to work on emergencies.
- When the nature of the employment reasonably requires employees to work seven or more consecutive days, if in each calendar month the employee receives the equivalent of one day's rest for every seven days worked (i.e., total month's calendar days divided by seven equals the number of required rest days for that month).

No supervisor or manager may impede or discourage employees from taking their days of rest provided under this policy. Employees who believe that they were not provided a day or days of rest that comply with this policy should inform their supervisor or manager, and (if not corrected) Business Operations immediately.

### III. Meal and Rest Periods

#### A. Rest Periods

ACI authorizes and permits employees working at least three and one-half hours in a day to take a ten-minute, off-duty, uninterrupted paid rest period for each four hours worked or major fraction thereof. The 10 minutes do not include the reasonable time it takes to walk to and from the closest break area (whether or not the employee takes their break in that break area). Employees who work more than six hours in a day are authorized and permitted to take a second off-duty, uninterrupted rest period. Employees who work more than 10 hours in a day are authorized and permitted to take a third off-duty, uninterrupted rest period. Employees should take their rest periods in the middle of each work period to the extent it is practicable to do so, and not combine them with meal periods or skip them to leave work early.

Employees who believe that were not provided the opportunity to take all rest periods authorized and permitted under this policy should inform their supervisor or manager, and (if not corrected) Business Operations immediately.

## **B. Meal Periods**

ACI provides employees who work more than five hours in a day with a 30-minute unpaid uninterrupted meal period for hourly field personnel; 1-hour unpaid uninterrupted meal period for salaried personnel; and, 1-hour uninterrupted meal period for hourly office staff, starting no later than the end of the fifth hour of work.

ACI provides employees who work more than 10 hours in a day with a second unpaid 30-minute, uninterrupted meal period starting no later than the end of the 10th hour of work. Employees who work no more than six hours in a day may waive the first meal period. Employees who work no more than 12 hours in a day may waive the second meal period if they took their first meal period.

Employees who use a time management software must “clock out” for their meal periods. Employees are expected to “clock back in” and promptly return to work at the end of any meal period.

## **C. Meal and Rest Periods Are Encouraged**

Employees are entitled, encouraged, and expected to take all meal periods provided under this policy and not waived, and all rest periods provided under this policy. During meal periods and rest periods, ACI will relieve employees of all duty and will not exercise control over employees' activities. Employees are free to spend their meal period and rest period time as they choose and are not required to remain on-premises or “on-call” during off-duty meal periods and rest periods. Employees who have work-issued pagers or phones should turn those devices off while taking meal periods and rest periods. Employees should not visit or socialize with employees who are working while they are taking a rest break or meal period.

No ACI manager or supervisor may impede or discourage employees from taking meal periods and rest periods provided under this policy.

## **D. Indoor and Outdoor Heat Recovery Periods**

Employees who experience high temperature working either indoors or outdoors may be entitled to additional breaks depending on the nature of the high heat. These additional breaks and considerations are specified below in this handbook in the Heat Prevention Policies.

# **IV. Overtime Pay**

## **A. Overtime Definition and Rates of Pay**

All nonexempt employees who work more than eight (8) hours in one workday or more than forty (40) hours in one workweek will receive overtime pay computed as follows:

- 1) Overtime at the rate of 1 ½ times the employee's regular rate of pay for all hours worked in excess of forty (40) in any one workweek.
- 2) Overtime at the rate of 1 ½ times the employee's regular rate of pay for all hours worked in excess of eight (8) hours in any one workday up to twelve (12) hours, and for the first eight (8) hours worked on the seventh day of work in any one workweek.
- 3) Overtime at the rate of double the employee's regular rate of pay for all hours worked in excess of twelve (12) in one workday, and for all hours worked in excess of eight (8) on the seventh day of work in one workweek.

Overtime will be computed on actual minutes worked, adjusted to the nearest 15-minute increment.

Only those hours that are actually worked are counted to determine an employee's overtime pay. Compensated holidays, for example, are not hours worked and therefore are not counted in making overtime calculations unless the employee actually worked on the holiday.

## **B. Workweek and Workday**

Unless otherwise provided, for purposes of calculating overtime, each workweek begins on Sunday and each workday is a 24-hour consecutive period which begins at 12:00 a.m.

## **C. Pre-Authorization**

Nonexempt employees may not work overtime without the express prior approval of their supervisor, absent an emergency. During busy periods, the employer may require employees to work extended hours. Nonexempt employees who fail to obtain approval prior to working hours that extend beyond their normal 8-hour workday or 40-hour workweek will be subject to disciplinary action. Overtime offenses may result in termination.

## **D. Makeup Time**

Nonexempt employees may make up work time that is or would be lost as a result of personal obligations if the time is made up during the same workweek in which the work time is lost. A nonexempt employee will be permitted to make up work time only if the employee submits a signed written request to make up the lost time and the employee's direct supervisor approves the request in advance. Nonexempt employees will not be paid overtime for performing makeup work unless they work more than 11 hours in a workday or more than 40 hours in the workweek.

## **V. Other Types of Pay**

### **A. Reporting Pay**

Nonexempt employees who report to work at ACI's request, or who are required to call into work up to two hours prior to their shift, but are furnished less than half of their usual or scheduled day's work, will be paid for half the usual or scheduled day's work, but not less than two hours' pay or more than four hours' pay at their regular rate, without regard to the number of hours they actually worked, unless the reasons for the lack of work are beyond ACI's control. Reporting time pay will not be paid to an employee on paid standby status who is called to perform assigned work at a time other than the employee's scheduled reporting time. Reporting time hours are not counted as "hours worked" for overtime purposes beyond the time in which work actually is performed. For example, if an employee who is scheduled to work an eight-hour shift is sent home after three hours, the employee will receive four hours' pay for that day, but the fourth hour of reporting time pay will not be treated as time worked for overtime purposes.

### **B. Callback Pay**

A nonexempt employee who is called back for a second work period in a workday and is given less than two hours' work will be paid a minimum of two hours' pay at the employee's regular rate of pay for the second work period, without regard to the number of hours actually worked, unless the reasons for any failure to furnish two hours of work are beyond the ACI's control. Callback time is not counted as "hours worked" for overtime purposes beyond the time in which work actually is performed.

### **C. Travel Time for Non-Exempt Employees**

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

### **1. Mileage Reimbursement Rates**

ACI offers mileage reimbursement for the use of personal vehicles for ACI business purposes. Reimbursement rates are determined by the “Standard Mileage Rates” as determined by the IRS each year. (<https://www.irs.gov/tax-professionals/standard-mileage-rates>)

### **2. Mileage Determination for Reimbursement**

Any employee using a personal vehicle to attend a meeting or a conference on behalf of Abbesside Construction is allowed mileage reimbursement. The amount of mileage eligible for reimbursement will be determined as the distance to the meeting or conference from the job site or home (whichever is closer).

Due to the nature of our business, the job site will constitute the place of work and will change from project to project. ACI will reimburse mileage to individuals who use a personal vehicle to and from work for any amount over 45 miles each way. Mileage eligible for reimbursement will be determined as the distance from the employee’s designated place of residence to the employee’s designated place of work for the project.

### **D. Holiday Pay**

Eligible employees are paid as set forth under the policy entitled “Holidays.” To receive holiday pay, the employee generally must work the regularly scheduled workdays preceding and following the ACI holiday, or receive prior approval from their supervisor to take the time off.

### **E. Pay Advances**

ACI does not provide employees pay advances on unearned wages.

## **VI. Safe Harbor Policy for Exempt Employees**

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

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

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

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

- full-day absences for personal reasons;
- full-day absences for sickness or disability, if the available paid sick leave has been exhausted;

- intermittent absences, including partial-day absences, covered by the federal Family and Medical Leave Act, and/or any state equivalent leave act, if other available paid leave has been exhausted;
- to offset amounts received as payment for jury and witness fees or military pay;
- during the first or last week of employment in the event the employee works less than a full week; and
- any work week in which the employee performs no work for ACI.

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

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

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

If employees believe they have been subject to any improper deductions, they should immediately report the matter to the Business Operations Manager. If the Business Operations Manager is unavailable or if employees believe it would be inappropriate to contact that person (or if they have not received a prompt and fully acceptable reply), they should immediately contact the President.

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

## **VII. Place and Time for Payment of Wages**

### **A. Regular Pay Days**

Employees are paid biweekly, every other Friday. Employees must complete their time cards / logs in a timely manner in order to ensure that they are paid for all hours worked. If a pay day falls on a holiday, paychecks will be distributed on the preceding workday. Paychecks may be directly deposited into the account of your choice or issued and mailed. Direct deposit forms are available from Business Operations.

### **B. Payment on Resignation, Termination, or Completion of Assignment or Term**

If an employee resigns, their paycheck will be available on the final day of work, provided the employee has given at least 72 hours' prior notice. If an employee resigns without giving 72 hours' notice, their paycheck will be made available where the employee was performing services within 72 hours after the employee gives notice of the resignation, unless the employee requests in writing that their final paycheck be mailed, in which case ACI will mail the final paycheck within three days after the employee gives notice. Employees who are terminated involuntarily will be paid on the day of the discharge. If an employee is hired for a specific assignment or otherwise has a defined term of employment, their paycheck will be available

upon the completion of the assignment or employment term. In all cases, employees' final paychecks will include payment for all wages owed and any accrued but unused vacation time.

### **C. Garnishments**

ACI complies with applicable state and federal laws regarding the garnishment and assignment of wages. Repeated garnishments for multiple debts can be grounds for discharge or other discipline as provided by applicable laws.

### **D. Payroll Deductions**

Deductions for federal Income Tax, Social Security Tax, and Medicare are required by federal law. State Income Tax and State Disability Insurance deductions vary according to the state in which your work is performed. Other deductions for insurance or other benefits may be specifically authorized by the employee in writing or by electronic signature. Each paycheck stub itemizes amounts that have been withheld. It is the employee's responsibility to confirm the accuracy of payroll deductions and personal information and to notify their manager immediately of any changes. It is important that employees keep this information for tax purposes. Questions about deductions should be directed to the Business Operations manager.

## **Timekeeping Procedures**

Employees are expected to be on time daily and remain on the job throughout the regularly scheduled workday. Employees must accurately record their actual time worked for payroll and benefit purposes using the time-management software provided by ACI. Non-exempt employees must record the time work begins and ends, as well as the beginning and ending time of breaks and any departure from work for any non-work-related reason, on the time-management software provided by ACI.

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

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

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

It is the employee's responsibility to sign time records to certify the accuracy of all time recorded. Any errors in the time record should be reported immediately to a supervisor, who will attempt to correct legitimate errors.

## **Work Schedules, Tardiness, and Absence**

All employees of ACI are expected to be punctual and regular in attendance. Any tardiness or absence causes problems for fellow employees and managers. When employees are absent, their workload must be performed by others, just as they must assume the workload of others who are absent.

Employees are expected to report to work as scheduled, on time, and prepared to start work. Employees also are expected to remain at work for their entire work schedule, except for meal periods or when required to leave on authorized ACI business. Late arrival, early departure, or other absences from scheduled hours are disruptive and must be avoided.

A tardy or absence is considered “excused” only when the employee calls ahead of time and the tardy or absence is for a reason that ACI considers satisfactory.

Employees who are not going to report for work as scheduled must call their supervisor as far in advance as possible but not later than the start of their shift to report their absence. Employees who rely on others to report their absences, or who report absences to anyone other than their immediate supervisor, do so at their own risk.

A tardy or absence for a non-satisfactory reason, and failing to call in according to this policy, will be considered “unexcused.”

Unreported, unexcused, or excessive absenteeism (including tardiness and early departures) will result in discharge or other discipline. No specific number or type of prior warnings is required before termination.

## **Business Expense Reimbursement**

ACI will reimburse employees for reasonable expenses incurred for business purposes including, but not limited to, meals, lodging, and transportation. Mileage driven in a personal automobile for business purposes will be reimbursed at the current IRS-approved rate per mile. All business travel and business purchases must be approved in advance by the employee's Supervisor.

Employees should complete expense reimbursement reports within 30 days of incurring the expenses and submit the reports and receipts to the Head of Business Operations.

## **Personnel Records**

### **I. Personnel Files**

The information in an employee's personnel file is permanent and confidential, and must be kept up to date. Employees should inform the Business Operations Manager immediately whenever there are changes in personal data such as address, telephone number, marital status, number of dependents, and person(s) to notify in case of emergency. Employees also should inform the Business Operations Manager of any specialized training or skills they acquire. Employees are also responsible for maintaining a current group life insurance beneficiary designation. Unreported changes of address, marital status, etc. can affect withholding tax and benefit coverage.

Employees have the right to inspect their personnel files at reasonable times and on reasonable notice. In addition, employees have the right to request copies of all employment-related documents that they have signed. An employee may inspect only their own personnel file and only in the presence of the Business Operations Manager.

Personnel files are the property of ACI and may not be removed from ACI's premises without written authorization from the Business Operations Manager.

### **II. Payroll Records**

Employees and former employees also have the right to inspect and copy certain ACI payroll records regarding their compensation, and deductions from their compensation, upon reasonable request to ACI. Employees wishing to review or

copy payroll records should notify the Business Operations Department.

## Record Retention

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

## Lactation Accommodation

Lactation accommodations, as required by law, provide a reasonable break time to accommodate an employee desiring to express breast milk for the employee's infant. Such break time will, if possible, run concurrently with any break time already provided by ACI for an employee. ACI will make reasonable efforts to provide the employee with the use of a remote location, other than a toilet stall, in close proximity to the employee's work area for the purpose of expressing breast milk in private, locked room. The room or location may include a place where the employee normally works.

The room or location will:

- Be shielded from view and free from intrusion while the employee is expressing milk.
- Be safe, clean, and free of hazardous material.
- Contain a surface to place a breast pump and personal items.
- Contain a place to sit.
- Have access to electricity or alternative devices, including, but not limited to, extension cords or charging stations, needed to operate an electric or battery-powered breast pump.

ACI will also provide access to a sink with running water and a refrigerator suitable for storing milk in close proximity to the employee's workspace. If a refrigerator cannot be provided, an employer may provide another cooling device suitable for storing milk, such as an employer-provided cooler.

A lactation location may be designated as temporary, due to operational, financial, or space limitations. When a multipurpose room is used for lactation, lactation purposes must take precedence over the other uses for the room.

Employees who work remotely, or telework, are entitled to the same breaks as outlined above. During these breaks, the remote/teleworking employee must be free from observation by any Company-provided or required video system, including camera, security camera or web-conferencing platform.

ACI expressly prohibit retaliation against lactating employees for exercising their rights under this policy.

Should you require lactation accommodations following a return from pregnancy leave, please advise the Business Operations Manager so that accommodations may be made.

## Termination, Discipline, and Rules of Conduct

### I. Termination

## **A. Voluntary Termination**

ACI will consider an employee to have voluntarily terminated their employment if an employee does any of the following:

- 1) Elects to resign from ACI; or
- 2) Fails to return from an approved leave of absence on the date specified by ACI.
- 3) Fails to report for work without notice to ACI for three (3) consecutive days.

We request an employee give a two-week written notice before leaving their job to be considered for rehire. Written notice should include the reason for leaving.

## **B. Involuntary Termination**

An employee may be terminated involuntarily for reasons that may include poor performance, misconduct, or other violations of ACI's rules of conduct as set forth below. Notwithstanding this list of rules, ACI reserves the right to discharge or demote any employee with or without cause and with or without prior notice.

## **C. Termination Due to Reorganizations, Economics, or Lack of Work**

From time-to-time, ACI may need to terminate an employee as a consequence of reorganizations, job eliminations, economic downturns in business, or lack of work. Should ACI consider such terminations necessary, ACI will attempt to provide all affected employees with advance notice when practical. Layoff benefits associated with such terminations, if any, will be as specified in the notice.

# **II. Discipline and Rules of Conduct**

Employees are expected to observe certain standards of job performance and good conduct. When performance or conduct does not meet ACI standards, the employee will be subject to discipline up to and including termination.

The rules set forth below are intended to provide employees with notice of what is expected of them. Necessarily, however, such rules cannot identify every type of unacceptable conduct and performance. Therefore, employees should be aware that conduct not specifically listed below but which ACI determines adversely affects or is otherwise detrimental to the interests of ACI, other employees, or customers, may also result in disciplinary action.

## **A. Job Performance**

Employees may be disciplined for poor job performance, including but not limited to the following:

- 1) Unsatisfactory work quality or quantity;
- 2) Excessive absenteeism, tardiness, or abuse of rest break and meal period policies;
- 3) Failure to follow instructions or ACI procedures; or
- 4) Failure to follow established safety regulations.

## **B. Misconduct**

The following are examples of some, but not all, conduct which can be considered unacceptable:

- 1) Obtaining employment on the basis of false or misleading information.
- 2) Stealing, removing or defacing ACI property or a co-worker's property, and/or disclosure of confidential information.
- 3) Completing another employee's time records.

- 4) Violation of safety rules and policies.
- 5) Violation of the ACI's Drug and Alcohol-Free Workplace Policy.
- 6) Fighting, threatening or disrupting the work of others or other violations of ACI's Workplace Violence Policy.
- 7) Failure to follow lawful instructions of a supervisor.
- 8) Failure to perform assigned job duties.
- 9) Violation of the Punctuality and Attendance Policy, including but not limited to irregular attendance, habitual lateness or unexcused absences.
- 10) Gambling on ACI property.
- 11) Willful or careless destruction or damage to ACI assets or to the equipment or possessions of another employee.
- 12) Wasting work materials.
- 13) Performing work of a personal nature during working time.
- 14) Violation of the Solicitation and Distribution Policy.
- 15) Violation of the ACI's Harassment or Equal Employment Opportunity Policies.
- 16) Violation of the Communication and Computer Systems Policy.
- 17) Unsatisfactory job performance.
- 18) Any other violation of ACI policy.

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

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

### **C. Attendance**

In addition to the general rules stated above, employees may be disciplined for failing to observe the following specific requirements relating to attendance:

- 1) Reporting to work on time, observing rest break and meal period policies, recording all time worked, and obtaining approval to leave work early; and
- 2) Notifying the supervisor in advance of anticipated tardiness or absence.

### **D. Discipline Procedure**

Except as set forth below, discharge or demotion for poor performance ordinarily will be preceded by an oral warning and a written warning.

ACI reserves the right to proceed directly to a written warning, demotion, or termination for misconduct or performance deficiency, without resort to prior disciplinary steps, when ACI deems such action appropriate.

## **III. Exit Interview**

Employees who leave ACI for any reason may be asked to participate in an exit interview. This interview is intended to permit terminating employees the opportunity to communicate their views regarding their work with ACI, including job duties, job training, job supervision, and job benefits. At the time of the interview, employees are expected to return all ACI-furnished

property, such as uniforms, tools, equipment, I.D. cards, keys, credit cards, documents, and handbooks. Arrangements for clearing any outstanding debts with ACI and for receiving final pay also will be made at this time.

## IV. National Labor Relations Act Activity

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## V. Employment at Will

Nothing in this Guideline is intended to alter the at-will status of employment with ACI. Either you or ACI may terminate the employment relationship at any time with or without cause and with or without prior notice. ACI reserves the right to terminate any employment relationship, to demote, or to otherwise discipline an employee without resort to the above disciplinary procedures.

## Drug-Free Workplace

### I. Purpose of Guideline

It is the intent of ACI to maintain a workplace that is free of drugs and alcohol and to discourage drug and alcohol abuse by its employees. Employees who are under the influence of a drug or alcohol on the job compromise ACI's interests and endanger their own health and safety and the health and safety of others. Substance abuse in the workplace can also cause a number of other work-related problems, including absenteeism and tardiness, substandard job performance, increased workloads for co-workers, behavior that disrupts other employees, and inferior quality in products or service.

To further its interest in avoiding accidents, to promote and maintain safe and efficient working conditions for its employees, and to protect its business, property, equipment, and operations, ACI has established this Guideline concerning the use of alcohol and drugs. As a condition of continued employment with ACI, each employee must abide by this Guideline.

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## II. Definitions

For purposes of this Guideline:

- "Illegal drugs or other controlled substances" means any drug or substance that (a) is not legally obtainable; or (b) is legally obtainable but has not been legally obtained; or (c) has been legally obtained but is being sold or distributed unlawfully.

- "Legal drug" means any drug, including any prescription drug or over-the-counter drug, that has been legally obtained and that is not unlawfully sold or distributed.
- "Abuse of any legal drug" means the use of any legal drug (a) for any purpose other than the purpose for which it was prescribed or manufactured; or (b) in a quantity, frequency, or manner that is contrary to the instructions or recommendations of the prescribing physician or manufacturer.
- "Reasonable suspicion" includes a suspicion that is based on specific personal observations such as an employee's manner, disposition, muscular movement, appearance, behavior, speech or breath odor; information provided to management by an employee, by law enforcement officials, by a security service, or by other persons believed to be reliable; or a suspicion that is based on other surrounding circumstances.
- "Possession" means that an employee has the substance on their person or otherwise under their control.

### III. Prohibited Conduct

#### A. Scope

The prohibitions of this section apply whenever the interests of ACI may be adversely affected, including any time an employee is:

- 1) On ACI premises;
- 2) Conducting or performing ACI business, regardless of location;
- 3) Operating or responsible for the operation, custody, or care of ACI equipment or other property; or
- 4) Responsible for the safety of others in connection with, or while performing, ACI-related business.

#### B. Alcohol

The following acts are prohibited and will subject an employee to discharge:

- 1) The unauthorized use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of alcohol; or
- 2) Being under the influence of alcohol from unauthorized consumption.

#### C. Illegal Drugs

The following acts are prohibited and will subject an employee to discharge:

- 1) The use, possession, purchase, sale, manufacture, distribution, transportation, or dispensation of any illegal drug or other controlled substance; or
- 2) Being under the influence of any illegal drug or other controlled substance.

#### D. Legal Drugs

The following acts are prohibited and will subject an employee to discharge:

- 1) The abuse of any legal drug;
- 2) The purchase, sale, manufacture, distribution, transportation, dispensation, or possession of any legal prescription drug in a manner inconsistent with law; or
- 3) Working while impaired by the use of a legal drug whenever such impairment might:
  - a. Endanger the safety of the employee or some other person;
  - b. Pose a risk of significant damage to ACI property or equipment; or
  - c. Substantially interfere with the employee's job performance or the efficient operation of ACI's business or

equipment.

Despite many states' recent legalization of medical and/or recreational marijuana, ACI's zero tolerance policy prohibits any employee from having marijuana in their system while working and also prohibits any employee from possessing marijuana while on company property.

The Company does not discriminate against employees and applicants simply because they have engaged in off-the-job marijuana use, unless the individual seeks or holds an exempted role. Additionally, the Company does not discriminate against employees and applicants on the basis of a drug test that measures only "nonpsychoactive" cannabis metabolites as described in the Drug Testing section of this policy.

## **IV. Disciplinary Action**

### **A. Discharge for Violation of Guideline**

A first violation of this Guideline will result in immediate discharge whenever the prohibited conduct:

- 1) Caused injury to the employee or any other person, or, in the sole opinion of management, endangered the safety of the employee or any other person;
- 2) Resulted in significant damage to ACI property or equipment, or, in the sole opinion of management, posed a risk of significant damage;
- 3) Involved the sale or manufacture of illegal drugs or other controlled substances;
- 4) Involved the possession, distribution, or dispensation of illegal drugs or other controlled substances or alcohol in a quantity greater than for personal use;
- 5) Involved an employee who had not completed the introductory period or was a casual, seasonal, or temporary employee; or
- 6) Involved the failure of an employee to report a criminal conviction, as required by below policy.

### **B. Discretion Not to Discharge**

In circumstances other than those described above, ACI, in the discretion of management, may choose not to discharge an employee for a first violation of this Guideline if the employee satisfactorily participates in and completes an approved drug or alcohol abuse 'assistance' or rehabilitation program when recommended by ACI or the employee contacts the Employee Assistance Department within two working days after being referred there by management and follows the recommendations made by the Employee Assistance Department, including satisfactory participation in and completion of an approved drug or alcohol abuse, assistance, or rehabilitation program.

### **C. Effect of Criminal Conviction**

An employee who is convicted under a criminal drug statute for a violation occurring in the workplace or during any ACI-related activity or event will be deemed to have violated this Guideline.

### **D. Written Warning**

An employee who is not discharged for a first violation of this Guideline will receive a final written warning and immediate suspension without pay for a period of 10 calendar days.

### **E. Effect of Second Violation**

A second violation of this Guideline at any time will result in immediate discharge.

## **F. Effect of Discharge on Eligibility for Rehire**

Employees who are discharged for a violation of this Guideline will not be eligible for rehire by ACI.

## **V. Drug-Free Awareness Program**

### **A. Management Awareness**

Managers and supervisors should be attentive to the performance and conduct of those who work with them and should not permit an employee to work in an impaired condition or to otherwise engage in conduct that violates this Guideline. When management has reasonable suspicion to believe that an employee or employees are working in violation of this Guideline, prompt action will be taken. If the employee occupies a designated safety-sensitive position, such action may include drug testing in accordance with the procedures outlined in this policy.

### **B. Criminal Convictions**

Employees must notify ACI of any conviction under a criminal drug statute for a violation occurring in the workplace or during any ACI-related activity or event. Employees must notify ACI within five days after any such conviction. When required by federal law, ACI will notify any federal agency with which it has a contract of any employee who has been convicted under a criminal drug statute for a violation occurring in the workplace.

## **VI. Use of Legal Drugs**

ACI recognizes that employees may, from time to time, be prescribed legal drugs that, when taken as prescribed or according to the manufacturer's instructions, may result in impairment. Employees may not work while impaired by the use of legal drugs if the impairment might endanger the employee or someone else, pose a risk of significant damage to ACI property, or substantially interfere with the employee's job performance. If an employee is so impaired by the appropriate use of legal drugs, they may not report to work. To accommodate the absence, the employee may use accrued sick leave, personal leave, or vacation time. The employee may also contact the Business Operations Manager to determine whether or not they qualify for an unpaid leave of absence, such as family care or medical leave. Nothing in this Guideline is intended to sanction the use of accrued sick leave, personal leave, or vacation time to accommodate absences due to the abuse of legal drugs. Further, nothing in this Guideline is intended to diminish ACI's commitment to employ and reasonably accommodate qualified disabled individuals. ACI will reasonably accommodate qualified disabled employees who must take legal drugs because of their disability.

## **VII. Unregulated or Authorized Conduct**

### **A. Customary Use of Over-the-Counter Drugs**

Nothing in this Guideline is intended to prohibit the customary and ordinary purchase, sale, use, possession, or dispensation of over-the-counter drugs, so long as that activity does not violate any law or result in an employee being impaired by the use of such drugs in violation of this Guideline.

### **B. Off-the-Job Conduct**

Unless an employee is in a designated safety-sensitive position, this Guideline is not intended to regulate off-the-job conduct, so long as the employee's off-the-job use of alcohol or drugs does not result in the employee being under the influence of or impaired by the use of alcohol or drugs in violation of this Guideline. If an employee is in a designated safety-sensitive

position, they will be subject to drug testing as described in Section X of this Guideline.

### **C. Authorized Use of Alcohol**

ACI may provide alcohol for consumption at certain events, such as social functions. The consumption of alcohol at these events does not violate this Guideline.

## **VIII. Confidentiality**

Disclosures made by employees to the Business Operations Manager concerning their use of legal drugs will be treated confidentially and will not be revealed to managers or supervisors unless there is an important work-related reason to do so in order to determine whether it is advisable for the employee to continue working. Disclosures made by employees to the Business Operations Manager concerning their participation in any drug or alcohol rehabilitation program will be treated confidentially.

## **IX. Counseling/Employee Assistance**

Employees who suspect they may have alcohol or drug problems, even in the early stages, are encouraged voluntarily to seek diagnosis and to follow through with the treatment as prescribed by qualified professionals. Employees who wish to voluntarily enter and participate in an approved alcohol or drug rehabilitation program are encouraged to contact the Business Operations Manager, who will determine whether ACI can accommodate the employee by providing unpaid leave for the time necessary to complete participation in the program. Employees should be aware that participation in a rehabilitation program will not necessarily shield them from disciplinary action for a violation of this Guideline, particularly if discipline is imposed for a violation occurring before the employee seeks assistance.

## **X. Drug Testing**

### **A. Reasonable Suspicion Testing**

If a supervisor or manager has a reasonable suspicion that the employee is working in an impaired condition or otherwise engaging in conduct that violates this Guideline, the employee will be asked about any observed behavior and offered an opportunity to give a reasonable explanation. If the employee is unable to explain the behavior, they will be asked to take a drug test in accordance with the procedures outlined below.

If the employee refuses to cooperate with the administration of the drug test, the refusal will be handled in the same manner as a positive test result.

### **B. Procedures for Drug Testing**

ACI will refer the applicant or employee to an independent, National Institute on Drug Abuse (NIDA)-certified medical clinic or laboratory, which will administer the test. ACI will pay the cost of the test and reasonable transportation costs to the testing facility. The employee will have the opportunity to alert the clinic or laboratory personnel to any prescription or non-prescription drugs that they have taken that may affect the outcome of the test. All drug testing will be performed by urinalysis. Initial screening will be done by EMIT II. Positive results will be confirmed by gas chromatography/mass spectrometry.

The clinic or laboratory will inform ACI as to whether the applicant passed or failed the drug test and may include a detailed testing report. If an employee fails the test, they will be considered to be in violation of this Guideline and will be subject to

discipline accordingly.

### **C. Acknowledgment and Consent**

Any employee subject to testing under this policy will be asked to sign a form acknowledging the procedures governing testing, and consenting to (1) the collection of a urine sample for the purpose of determining the presence of alcohol or drugs, and (2) the release to ACI of medical information regarding the test results. Refusal to sign the agreement and consent form, or to submit to the drug test, will result in the revocation of an applicant's job offer, or will subject an employee to discipline up to and including termination.

### **D. Confidentiality**

All drug testing records will be treated as confidential.

## **Business Related Events and Functions**

Alcoholic beverages may be available for consumption at certain business-related events, meetings and social occasions, as well as industry meetings and conferences, which an employee may attend in the course and scope of the employee's employment. In addition, alcohol may be available for consumption at certain business-related special events and functions that are authorized or sponsored by ACI. The purchase and/or consumption of alcohol at these events does not violate ACI's Drug and Alcohol Use policy. However, being under the influence of alcohol such that judgment and/or job performance is impaired, which results in offensive and/or unprofessional conduct, and/or behavior that endangers and/or compromises the welfare and/or safety of the employee or others, or is harmful to ACI's business relationships, is specifically prohibited by this policy. Violation of the above rules and standards of conduct will not be tolerated. Employees may be disciplined, up to and including discharge, for violating these policies without prior notice or warning. ACI also may bring the matter to the attention of appropriate law enforcement authorities.

## **Inspections and Searches on Company Premises**

### **I. Purpose of the Guideline**

ACI believes that maintaining a workplace that is free of drugs, alcohol, and other harmful materials is vital to the health and safety of its employees and to the success of ACI's business. ACI also intends to protect against the unauthorized use and removal of ACI property. In addition, ACI intends to assure its access at all times to ACI premises and ACI property, equipment, information, records, documents, and files. At times, it may be necessary for ACI to provide records, information or assistance to a government entity in accordance with the terms of a warrant, court order, or other order issued by law. Accordingly, ACI has established this Guideline concerning inspections and searches on ACI premises. This Guideline applies to all employees of the ACI.

### **II. Definitions**

For purposes of this Guideline:

- 1) "Prohibited materials" means firearms or other weapons; explosives and/or hazardous materials or articles; illegal drugs or other controlled substances as defined in ACI's Drug-Free Workplace Guideline; drug-related paraphernalia; the unauthorized use or consumption of alcoholic beverages on ACI property; or ACI property and/or proprietary and confidential information belonging to a third party that an employee is not authorized to have in their possession.

- 2) "ACI property" includes all documents, records, software, electronic codes, data, and files, in both hard copy and electronic form, relating to the ACI's business; and all equipment, hardware, and other property of any kind, whether owned, leased, rented, or used by the ACI.
- 3) "ACI premises" includes all premises and locations owned or leased by ACI or under the control of ACI, including parking lots, lockers, and storage areas.
- 4) "Reasonable suspicion" includes a suspicion that is based on specific personal observations such as an employee's manner, disposition, muscular movement, appearance, behavior, speech or breath odor; information provided to management by an employee, by law enforcement officials, by a security service, or by other persons believed to be reliable; or a suspicion that is based on other surrounding circumstances.
- 5) "Possession" means that an employee has the prohibited material or ACI property on their person or otherwise under their control.

### III. Inspections and Searches

#### A. Access to Company Property

- 1) In order to ensure access at all times to ACI property, and because employees properly in possession of ACI property or information related to ACI business may not always be available to produce the property or information when needed in the ordinary course of ACI's business, ACI reserves the right to conduct a routine inspection or search at any time for ACI property on ACI premises. In addition, ACI reserves the right to access at all times information and communications stored in ACI computer files, on ACI mobile devices and in employee voicemail boxes and electronic-mail systems.
- 2) Routine searches or inspections for ACI property may include an employee's office, desk, file cabinet, closet, computer files, voice mail, electronic mail, ACI-issued mobile device or similar places where employees may store ACI property or company-related information, whether or not the places are locked or protected by access codes and/or passwords.
- 3) Because even a routine search for ACI property might result in the discovery of an employee's personal possessions, all employees are encouraged to refrain from bringing into the workplace any item of personal property that they do not wish to reveal to ACI.

#### B. Inspections and Searches for Prohibited Materials

- 1) Inspections or searches for prohibited materials in or on ACI premises also will be conducted whenever ACI has reasonable suspicion to believe that a particular employee or group of employees may be in possession of materials in violation of this Guideline.
- 2) Inspections or searches for prohibited materials may be conducted by an independent security service or by ACI personnel.
- 3) Inspections or searches for prohibited materials may be conducted on a regular or random basis at locations where employees enter or exit ACI premises, without regard to whether there is reasonable suspicion that any employee may be in possession of prohibited materials in violation of this Guideline.
- 4) Inspections or searches for prohibited materials may be conducted from time to time even when there is no immediate reason to suspect the presence of the materials. In such cases, ACI may announce the inspection in advance, except for inspections or searches conducted at locations where employees enter or exit ACI premises.
- 5) Inspections or searches for prohibited materials may include an employee's office, desk, file cabinet, closet, computer, ACI-issued mobile device or similar places where employees may place personal possessions or

information, whether or not the places are locked or password protected. Inspections or searches for prohibited materials also may include an employee's locker, or an employee's pockets, purse, briefcase, lunch box, or other item of personal property that is being worn or carried by the employee while on ACI premises.

- 6) In cases involving an inspection or search of an employee's pockets, purse, briefcase, or other item of personal property that is being worn or carried by the employee, the employee will be requested to conduct a self-search (i.e., by turning out or emptying pockets, purses, etc.) in the presence of an observer who will be a person of the same gender.
- 7) Employees who refuse to cooperate during an inspection or search will not be forcibly detained or searched. They will be informed, however, that ACI will base any disciplinary decision on the information that is available, including their refusal to consent to the search as well as the information that gave rise to a reasonable suspicion that the employees were in possession of prohibited materials, if applicable, and that their failure or refusal to cooperate could deprive ACI of information that may clear them of suspicion. In addition, ACI reserves the right to take appropriate action to prevent the unauthorized removal from ACI premises of ACI property.

#### **IV. Approvals for Inspections**

- 1) In instances in which the inspection or search is conducted because there is reasonable suspicion that a particular employee or group of employees may be in possession of prohibited materials in violation of this Guideline or may be using ACI property in an unauthorized manner, and in instances in which an item of the employee's personal property will be searched, the inspection or search will be approved in advance by the highest ranking member of management in the Division who is available at the time the inspection or search is to be conducted and by the Business Operations Manager or their designated alternate(s) in the event of unavailability.
- 2) All inspections or searches that are conducted as part of the ACI's program of periodic (and unannounced) inspections will be approved in advance by the Business Operations Manager, who will inform the employee's supervisor of the impending inspection prior to its occurrence.

#### **V. Disciplinary Action**

Employees who are found to be in possession of prohibited materials in violation of this Guideline and/or in violation of ACI Property; Proprietary and Confidential Information Guideline, the Technology Use and Privacy Guideline, and the Drug-Free Workplace Guideline, or employees who are found to have used ACI property in an unauthorized manner, will be subject to discipline, up to and including discharge, regardless of ACI's reason for conducting the search or inspection.

#### **VI. Confidentiality**

Managers and supervisors will make their best effort to restrict communications concerning a violation or possible violation of this Guideline to persons who have an important work-related reason to know.

#### **VII. National Labor Relations Act Activity**

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

# Workplace Violence

## I. Statement of Policy

ACI recognizes that workplace violence is a concern among employers and employees across the country. ACI is committed to providing a safe, violence-free workplace. In this regard, ACI strictly prohibits employees, consultants, customers, visitors, or anyone else on ACI premises or engaging in an ACI-related activity from behaving in a violent or threatening manner. Moreover, ACI seeks to prevent workplace violence before it begins and reserves the right to address certain behaviors, even in the absence of violent behavior.

ACI believes that prevention of workplace violence begins with recognition and awareness of potential early warning signs and has established procedures within Business Operations for responding to any situation that presents the possibility of violence.

## II. Workplace Violence Defined

Workplace violence includes, but is not limited to, the following:

- 1) Threats of any kind;
- 2) Threatening, physically aggressive, or violent behavior, such as intimidation of or attempts to instill fear in others;
- 3) Other behavior that suggests a propensity towards violence, which can include belligerent speech, excessive arguing or swearing, sabotage, or threats of sabotage of ACI property, or a demonstrated pattern of refusal to follow ACI policies and procedures;
- 4) Defacing ACI property or causing physical damage to the facilities; or
- 5) With the exception of security personnel, bringing weapons or firearms of any kind on ACI premises, in ACI parking lots, or while conducting ACI business.

## III. Reporting

If any employee observes or becomes aware of any of the above-listed actions or behavior by an employee, customer, consultant, visitor, or anyone else, they should notify Business Operations immediately.

Further, employees should notify Business Operations and their supervisor if any restraining order is in effect, or if a potentially violent nonwork-related situation exists that could result in violence in the workplace. No adverse employment action will be taken against an employee because they notify ACI of a potentially violent non-work situation.

## IV. Investigation

All reports of workplace violence will be taken seriously and will be investigated promptly and thoroughly. In appropriate circumstances, ACI will inform the reporting individual of the results of the investigation. To the extent possible, ACI will maintain the confidentiality of the reporting employee and of the investigation. ACI may, however, need to disclose results in appropriate circumstances, for example, in order to protect individual safety.

If an employee has suffered from any individual unlawful violence at the workplace or a credible threat of violence to be taking place at the workplace, the Company may seek a temporary restraining order and an injunction on behalf of the employee and other employees to maintain a safe work environment.

ACI will not tolerate retaliation against any employee who reports workplace violence.

## V. Corrective Action and Discipline

If ACI determines that workplace violence in violation of this policy has occurred, ACI will take appropriate corrective action and will impose discipline on offending employees. The appropriate discipline will depend on the particular facts but may include written or oral warnings, probation, reassignment of responsibilities, suspension, or termination. If the violent behavior is that of a non-employee, ACI will take appropriate corrective action in an attempt to ensure that such behavior is not repeated.

Under certain circumstances, ACI may forego disciplinary action on the condition that the employee takes a medical leave of absence. In addition, ACI may request that the employee participate in counseling, either voluntarily or as a condition of continued employment.

## VI. Workplace Violence Prevention Plan and Training

In compliance with state law, the Company has drafted a Workplace Violence Prevention Plan (WVPP), which is a part of the existing IIPP. Like the IIPP, employees may have access to the WVPP for review.

Employees will also be trained annually and following any incident of workplace violence on the following topics:

- The workplace violence hazards present at the Company;
- The contents of the Workplace Violence Prevention Policy;
- Our workplace violence prevention procedures, including reporting requirements and our review, response and evaluation procedures; and
- How to recognize potential workplace violence and take appropriate action when confronted with a potentially violent situation.

At the same frequency, supervisors are also trained in workplace violence awareness and prevention, how to recognize signs of workplace violence, what to do in the case of work-related violence and how to deal with the aftermath of violence.

## Safety Program

ACI is committed to providing and maintaining a healthy and safe work environment for all employees. Accordingly, ACI has instituted an Injury and Illness Prevention Program (IIPP) designed to protect the health and safety of all personnel. Every employee will receive a copy of ACI's General Safety Rules and will receive health and safety training as part of the IIPP. A complete copy of the IIPP is on the ACI employee's intranet.

### I. Employee Safety Responsibilities

An important responsibility of the employees of ACI is to perform their duties in a safe manner in order to prevent injury to themselves and others.

As a condition of employment, employees MUST become familiar with, observe, and obey ACI's rules and established policies for health, safety, and preventing injuries while at work. Additionally, employees MUST learn the approved safe practices and

procedures that apply to their work, as outlined in the IIPP, located on the intranet. You may be subject to discipline for engaging in any unsafe or unhealthy work practice or for violating established safety rules.

Before beginning special work or new assignments, an employee should review applicable and appropriate safety & compliance rules of the job site, the client, and any other stakeholder.

If an employee has any questions about how a task should be done safely, they are under instruction NOT to begin the task until they discuss the situation with their Supervisor. Together, they will determine the safe way to do the job.

If, after discussing a safety situation with their Supervisor, an employee still has questions or concerns, they are required to contact the President.

The Company will not retaliate, threaten, or take adverse action against an employee who chooses to leave their workplace or worksite during an emergency situation if they reasonably believe that it is unsafe due to the conditions of natural or criminal disaster and/or extreme peril.

“Emergency situations” are defined as conditions of disaster or extreme peril to the safety of persons or property caused by natural forces or a criminal act, or an order to evacuate a workplace, worksite, or worker’s home, or the school of a worker’s child due to a natural disaster or criminal act.

A reasonable belief that the workplace or worksite is unsafe means that a reasonable person, under the circumstances known to the employee at the time, would conclude there is a real danger of death or serious injury if that person enters or remains on the premises.

When feasible, the employee must notify their designated point of contact of the emergency requiring the employee to leave or refuse to report to work, and as soon as possible when prior notice is not feasible.

## II. Incident Reporting

Any work-related injury or suspected injury must be reported immediately to your Supervisor, Job Site Foreman and to Business Operations. Failure to report an injury or illness in a timely manner may jeopardize or delay your rights to certain benefits.

## III. General Emergency Guidelines

- Stay calm and think through your actions
- Know the emergency numbers:
  - Fire/Police/Ambulance 911
  - Internal Emergency Number (415 639-9807 x101)
  - Business Operations (Insert Number or extension)
  - Page (Insert number and instructions if applicable)
  - Operator “0”
- Know where the exits are located
- In the event of any emergency, do not take elevators; use the stairs

- Do not hesitate to call or alert others if you believe that an emergency is occurring; you will not “get in trouble.”
- First aid supplies and emergency equipment are located at each project site office, and at main office for use by those who are authorized and properly trained.
- The location of the nearest doctor and/or medical facility is posted at each project site location and at the main office.

## Heat Prevention Policies

### I. Indoor Heat Prevention

Indoor workplaces will be cooled to below 87 degrees Fahrenheit, if feasible, when employees are present. Indoor workplaces where employees work in high-radiant heat areas or must wear protective clothing that restricts heat removal must also be cooled to below 82 degrees, if feasible. The Company will provide cool down areas, methods for cooling down the work areas under certain conditions, water, rest, and training.

The cool-down area will be blocked from direct sunlight, large enough to accommodate the number of employees on rest breaks so they can sit comfortably without touching each other, will be close to work areas, and kept lower than 82 degrees Fahrenheit.

Employees are encouraged to take cool down rest periods, when necessary.

Employers will have an Indoor and Outdoor Heat Illness Prevention Plan for the workplace to which employees will have access.

This does not apply to incidental heat exposures where an employee is exposed to temperatures above 82 degrees Fahrenheit and below 95 degrees Fahrenheit for less than 15 minutes in any 60-minute period. This also does not apply to emergency operations directly involved in protection of life or property and any teleworking arrangements.

### II. Outdoor Heat Prevention

Employees who work outdoors are entitled, encouraged, and expected to take cool-down rest breaks in fixed, shaded areas whenever needed to prevent heat illness. These “cool-down” periods shall last five minutes, or until such time as the employee feels ready to resume their work duties and exhibits no signs or symptoms of heat illness.

These breaks are provided in addition to Employees’ regular, ten-minute rest periods. Employees who believe that they were not provided a recovery period that complies with this policy should inform their supervisor or manager, and (if not corrected) Human Resources immediately.

## Natural Disasters

In the event of a facility disaster such as earthquake, flood, hurricane, tsunami, tornado, fire, explosion, etc., the facility may be closed if the building is damaged or highways leading to the office or facility are damaged. For instructions on reporting to another location, contact the office or facility immediately.

## Infectious Disease Control Policy

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

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

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

## **I. Staying Home When Ill**

Many times, with the best of intentions, employees report to work even though they feel ill. We provide certain time off benefits to compensate employees who are unable to work due to illness. Information on time off benefits can be found in the time off policies in this handbook.

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

## **II. Requests for Medical Information and/or Documentation**

If you are out sick or show symptoms of being ill, it may become necessary to request information from you and/or your health care provider. In general, we would request medical information to confirm your need to be absent, to show whether and how an absence relates to the infection, and to know that it is appropriate for you to return to work. As always, we expect and appreciate your cooperation if and when medical information is sought.

## **III. Confidentiality of Medical Information**

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

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

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

## A. During the workday

Employees are requested to:

- 1) Avoid meeting people face-to-face. Employees are encouraged to use the telephone, online conferencing, e-mail or instant messaging to conduct business as much as possible, even when participants are in the same building.
- 2) If a face-to-face meeting is unavoidable, minimize the meeting time, choose a large meeting room and sit at least one yard from each other if possible; avoid person-to-person contact such as shaking hands.
- 3) Avoid any unnecessary travel and cancel or postpone nonessential meetings, gatherings, workshops and training sessions.
- 4) Do not congregate in work rooms, pantries, copier rooms or other areas where people socialize.
- 5) Bring lunch and eat at your desk or away from others (avoid lunchrooms and crowded restaurants).
- 6) Encourage members and others to request information and orders via phone and e-mail in order to minimize person-to-person contact. Have the orders, materials and information ready for fast pick-up or delivery.

## B. Outside activities

Employees might be encouraged to the extent possible to:

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

## Personal Visits and Telephone Calls

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

For safety and security reasons, employees are prohibited from having personal guests visit or accompanying them anywhere in ACI facilities other than the reception areas.

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## Use of Tools and Equipment

When using equipment or tools in performing tasks, employees are expected to exercise care and follow all operating and maintenance instructions, safety standards, and guidelines. No employee is to attempt to repair any equipment without the express authorization of his or her Supervisor. Equipment and tools are to be used only for the purpose for which they were designed. Employees should not attempt to operate any equipment or machine until properly trained on the correct use. If any ACI equipment, machine, or tool is broken, malfunctioning damaged, defective, or in need of repair, employees should notify their Supervisor. Prompt reporting of damage, defects, and need for repairs could prevent deterioration of equipment and possible injury to employees or others. The improper, careless, negligent, destructive, or unsafe use or operation of equipment

can result in corrective action, up to and including termination.

## Company Property; Confidential and Personal Information

The security of Company property is of vital importance to ACI. ACI property includes not only tangible property, like desks and computers, but also intangible property such as confidential information. It is critical for ACI to preserve and protect its confidential information, as well as the confidential information of customers, suppliers, and third parties. All employees are responsible for ensuring that proper security is maintained at all times.

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

### I. Confidential and Personal Information

"Confidential Information" means all information, not generally known, belonging to, or otherwise relating to the business of ACI or its clients, customers, suppliers, vendors, affiliates or partners, regardless of the media or manner in which it is stored or conveyed, that ACI has taken reasonable steps to protect from unauthorized use or disclosure. Confidential Information includes but is not limited to trade secrets as well as other proprietary knowledge, information, and know-how; non-public intellectual property rights, including business plans and strategies; manufacturing techniques; formulae; processes; designs; drawings; discoveries; improvements; ideas; conceptions; test data; compilations of data; and developments, whether or not patentable and whether or not copyrightable.

"Personal Identification Information" includes individually identifiable information about employees, customers, consultants, or other individuals, such as Social Security numbers, background information, credit card or banking information, health information, or other non-public information entrusted to ACI regarding an individual's personal identity. There are laws in the United States and other countries that protect certain types of Personal Identification Information, and employees should not disclose such protected Personal Identification Information that has been acquired and retained by ACI about other individuals to any third party or from one country to another without prior managerial approval.

Given the nature of ACI's business, protecting Confidential Information and Personal Identification Information is of vital concern to ACI. This information is one of ACI's most important assets. It enhances ACI's opportunities for future growth, and indirectly adds to the job security of all employees.

Failure to take reasonable measures to protect ACI's Confidential Information may jeopardize its status as a trade secret. While employed by ACI, employees must not use or disclose any Confidential Information or Personal Identification Information that they produce or obtain during employment with ACI, except to the extent such use or disclosure is required in connection with performing their jobs. Employees may not use or disclose Confidential Information or Personal Identification Information for any reason after the employment relationship with ACI ends. Misuse or unauthorized disclosure of Confidential Information or Personal Identification Information may result in immediate termination, as well as potential

personal and criminal liability. Nothing in this Guideline restricts an employee from discussing their wages or other terms and conditions of employment with coworkers or others, to the extent protected by law.

## II. Obligations on Termination

On termination of employment, whether voluntary or involuntary, all tangible and intangible ACI property must be returned to ACI immediately. This includes documents, materials, data files, and records of any kind, including any that contain Confidential Information or Personal Information, and any copies thereof. Also, the terminating employee must immediately notify ACI if the employee has Confidential Information or Personal Information stored in the employee's personal computer, or in a mobile, cloud, or other storage medium, and work with ACI to identify all such Information and its location, and help ensure it is retrieved and/or permanently deleted by ACI (or ACI's designated agent).

## III. Security

To avoid loss of ACI property employees are expected to comply with ACI policies regarding the authorized and secure use of ACI's computer technology, as described in ACI's Security Regulations and in the Technology Use and security guideline of this Manual. Employees are expected to abide by all of ACI's security procedures.

Avoiding loss or theft of Confidential Information or Personal Identification Information is an important part of each employee's job. Accordingly, employees must observe good security practices. Employees are expected to keep Confidential Information secure from outside visitors and all other persons who do not have legitimate reason to see or use such information. Employees are not to remove ACI property without authorization. Failure to adhere to ACI policies regarding Confidential Information and Personal Identification Information will be considered grounds for dismissal.

Given the sensitivity of Confidential Information and Personal Identification Information, employees may only dispose of such information by secure methods approved by ACI. If an employee has any doubt or question about how to handle Confidential Information or Personal Identification Information, the employee should consult with the ACI's Business Operations Department.

## Personal and Company-Provided Portable Communication Devices

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

Some employees may be authorized to use their own PCD for business purposes. These employees should work with the IT department to configure their PCD for business use. Communications sent via a personal PCD also may subject to monitoring if sent through ACI's networks and the PCD must be provided for inspection and review upon request.

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

If employees who use a personal PCD for business resign or are discharged, they will be required to submit the device to the IT department for resetting on or before their last day of work. At that time, the IT department will reset and remove all information from the device, including but not limited to, ACI information and personal data (such as contacts, e-mails and photographs). The IT department will make efforts to provide employees with the personal data in another form (e.g., on a disk) to the extent practicable; however, the employee may lose some or all personal data saved on the device.

Employees may not use their personal PCD for business unless they agree to submit the device to the IT department on or before their last day of work for resetting and removal of ACI information. This is the only way currently possible to ensure that all ACI information is removed from the device at the time of termination. The removal of ACI information is crucial to ensure compliance with ACI's confidentiality and proprietary information policies and objectives.

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

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## Use of Communications and Computer Systems

ACI's communication and computer systems are intended for business purposes. This includes the voice mail, e-mail and Internet systems. Users have no legitimate expectation of privacy in regard to their use of ACI's systems.

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

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

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

ACI's policies prohibiting harassment, in their entirety, apply to the use of ACI's communication and computer systems. No one may use any communication or computer system in a manner that may be construed by others as harassing or offensive based on race, national origin, sex, sexual orientation, age, disability, religious beliefs or any other characteristic protected by federal, state or local law.

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

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

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

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

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## Use of Social Media

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

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

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

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

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

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

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## Telecommuting/Work from Home Policy

Outlined below are the specific policies with respect to telecommuting as well as the responsibilities of both ACI and the individual telecommuter. Once your proposal to telecommute has been approved, review these guidelines, sign the acknowledgment and attach to the flexible work option proposal.

### I. Overview

Telecommuting at ACI is not an employee benefit nor is it intended to be available to all employees; rather it is a privilege and may be revoked at any time in the sole discretion of ACI. The selection of individuals for a telecommuting arrangement is not based on any employee's race, color, national origin, age, sex, marital status, sexual orientation, disability, or any other legally protected status. The only basis for a decision is whether it will be beneficial for ACI.

- The home office (including the home itself) is considered an extension of ACI's main office. All ACI policies and procedures including those governing employee conduct, performance, and safety are in full force and effect during your home work hours.
- This telecommuting arrangement can be withdrawn or terminated with or without notice by either party. If it is terminated, you will be required to return to your job at your office location. In addition, if your work performance suffers while you are participating in a telecommuting arrangement and/or your manager decides it is in the best interest of ACI for you to return to the office, you will be required to do so. If you choose not to return on the expected date, you will be subject to disciplinary action or considered to have voluntarily resigned and your employment status will be treated as such under ACI policies. ACI can revoke the telecommuting arrangement whether or not your performance has suffered.
- This telecommuting arrangement will have no effect on your salary, benefits, job responsibility, career opportunities and/or promotability.

### II. Hours of Work

- Your total number of work hours are not expected to change during the period in which you telecommute and you will be responsible for tracking your hours according to standard ACI policy. Telecommuters may be required to work overtime as needed. (Note: Non-exempt employees require approval of their manager prior to working overtime.)
- Your daily work schedule is subject to negotiation with, and approval by, your manager. Your manager will require that you work certain "core hours" during which you would be accessible by telephone or e-mail. You understand

that management has the right to modify this agreement on a temporary basis as a result of business necessity.

- Business requirements, i.e.: training programs, special projects or meetings, may require that you spend more time in the office than usual during a particular week or other period. You will have to make arrangements accordingly and be flexible with your hours in order to meet the business need. You are not entitled to necessarily “make up” a telecommuting day during the week if business requirements require you to be in the office on a normal telecommuting day.
- You should set up a system with your manager for checking in with the office on a daily basis in the event that an emergency arises, i.e.: a pressing need for information, a change of project deadline, or a change in business conditions.

### III. Equipment Repair/Security

- ACI may provide the necessary computer, modem, software and other equipment that it determines is necessary to do your job. All items will remain the property of ACI and must be returned to ACI in good working condition upon request, including but not limited to such cases as your extended illness, resignation, transfer, termination, or if the telecommuting arrangement ceases.
- ACI may choose to allow you to use personal equipment. The decision as to the type, nature, function, and/or quality of the equipment shall rest entirely with ACI. ACI will reimburse you for the reasonable wear and tear or use of applicable equipment. For example, if you use your own copy machine, ACI will reimburse you for the cost of paper and toner. You should contact your homeowners insurance carrier to find out to what extent your policy covers your property.
- ACI equipment is for business purposes only. The equipment must not be used by family or friends. ACI-owned software may not be duplicated except as formally authorized and provided you agree to comply with all terms and conditions of software licensing agreements.
- The security of ACI property in your home is as important as in the office. You are expected to take reasonable precautions to protect the equipment from theft or damage.
- In the event of ACI equipment failure or malfunction, you must notify your manager to ensure immediate repair or replacement of such equipment. In the event of delay in repair or replacement of ACI or personal equipment, or any other circumstances in which it would be impractical for you to work at home, you will be assigned to work in the office.
- Should you lose your internet connection to the terminal server and reconnection cannot be made within 30 minutes, you are required to contact your supervisor immediately and return to the office.
- You understand that your personal vehicle will not be used for ACI business unless specifically authorized by the supervisor.

### IV. Telecommuter System Requirements

- As determined by ACI. For your specific system requirements please speak to your manager.

### V. Expenses

- Office supplies as needed will be provided by ACI. Any out-of-pocket expenses for other supplies will be reimbursed only with the prior approval of your manager and in accordance with ACI normal expense reimbursement procedures.
- Travel time will be reimbursed as indicated by Company policy.

- ACI will not reimburse you for any home-related expenses including but not limited to heat, air conditioning, electricity, insurance, or personal monthly phone bills.

## VI. Confidentiality of Proprietary Information

- You are to keep confidential all information regarding the business of ACI, its customers products, services, systems, business plans, or other proprietary information. It is your responsibility to safeguard such information and ensure that it is not accessible to others.

## VII. Safety of Home Work Area

- ACI strongly recommends you set up a separate area for work in your home, “the home office.”
- ACI has the right to visit your home office to be sure it meets ACI standards for safety, security, and working conditions. Such visits would be scheduled in advance.
- It is your responsibility to ensure that equipment is placed where it is adequately physically supported. Electronic equipment should be plugged into properly grounded electrical outlets. Your designated work area must be free of potential tripping hazards and unnecessary clutter.
- In your home work area, you shall abide by all safety and health guidelines applicable to the office. Smoke detectors must be properly located and maintained in working order. Such purchase and maintenance costs will be your responsibility.
- You are required to provide your own furniture. Your work environment should be adjustable or subject to modification to meet minimum ergonomic guidelines. If you cannot work on your existing furniture, your options are to return to the office or purchase the proper furniture that meets these requirements. If the purchasing of such furniture is required, ACI will reimburse you for such expenditures but you must get advance approval from your manager prior to making any such purchase. You may opt to purchase the equipment at your own expense and keep the property once the telecommute arrangement ends either as a result of termination of your employment or for any other reason. If ACI pays for the equipment you must remit the equipment to ACI once the telecommute arrangement ends.

## VIII. Liability for Injuries

- You must immediately report to your manager in writing any injuries sustained as a result of performing work for ACI in your home and home office work area. If you are injured in your home in the course and scope of your employment, you may be eligible for workers’ compensation benefits. ACI assumes no responsibility for any injuries to third persons and/or members of your household that occur in the designated home / work area. Injuries that occur to third persons and/or members of your household in your home, but outside the designated work area, will not be the responsibility of ACI.

## IX. Job Performance

- All Business Operations policies, those described in ACI’s Employee Handbook, including those relating to job performance, remain in effect. That means that your performance will be monitored by your manager and you will be expected to comply with any and all productivity and quality standards that are applicable to you in the office. Disciplinary action, up to and including termination of employment, may result for failure to meet established performance standards.

## X. Miscellaneous Provisions

- It is expected that you will not use telecommuting as a substitute for dependent care. It is your responsibility to ensure that you are fully able to complete your work assignments in an acceptable and timely manner. Dependent care is also not an acceptable reason to “switch” your telecommuting days during the week.
- It is your responsibility to determine any income tax implications of maintaining a home office. ACI will not provide tax guidance nor assume any additional tax liabilities.
- It is your responsibility to comply with all applicable local laws including zoning ordinances/regulations regarding using your home as a workplace.
- A change in your weekly schedule must be submitted and approved by your manager.

## Electronic Surveillance

ACI reserves the right to install security cameras in work areas for specific business reasons, such as security, theft protection or protection of proprietary information. ACI may find it necessary to monitor work areas with security cameras when there is a specific job or business-related reason to do so. ACI will do so only after first ensuring that such action is in compliance with state and federal laws. Employees should not expect privacy in work-related areas. Employee privacy in nonwork areas will be respected to the extent possible. ACI’s reasonable suspicion of an onsite drug use, physical abuse, theft or similar circumstances would be possible exceptions. Employees should contact their supervisor or the Business Operations Department if they have questions about this policy.

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## External Communications

Occasionally employees may be contacted by outside sources requesting information about ACI matters, including information regarding current or former employees, ACI projects, or other workplace issues. In order to avoid providing inaccurate or incomplete information to outside sources, and the possible negative exposure that may result from providing information about ACI to outside sources, any employee asked to speak for or on behalf of ACI by any outside source should immediately contact the appropriate ACI official, as detailed below.

Employees violating this policy may be subject to discipline, up to and including termination of employment.

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## I. Media Contacts

ACI will respond to media inquiries in a timely and professional manner only through the designated spokesperson. If an employee is contacted by a representative from any media organization (e.g., television, radio, or newspaper reporters) to speak for or on behalf of ACI, the employee should notify the media representative that they are not authorized to make a public comment on behalf of ACI and immediately refer the media representative to the President/CEO. No employee may communicate with media agents on behalf of ACI without prior authorization from the President/CEO.

## II. Outside Attorneys and Investigators

If an employee is contacted by an outside attorney or investigator regarding ACI business, including information regarding current or former employees, ACI projects, or other workplace issues, the employee should inform the inquiring party that they are not authorized to speak on behalf of ACI and immediately obtain the individual's name and telephone number. The individual's name and telephone number should then be provided to the Business Operations Department. Nothing in this policy restricts an employee from discussing their wages or other terms and conditions of employment with coworkers or others, to the extent protected by law.

## III. Employment References and Verifications

Employees contacted by outside sources requesting an employment reference or employment verification for a current or former employee should not provide any information to the requesting individual or organization. Instead, employees should refer the requesting individual or organization to the Business Operations Department. No employee, other than the Director of Business Operations, is authorized to provide employment references or employment verifications for any current or former employee. ACI's authorized representative(s) may verify dates of employment and last position held but will not disclose any other information unless the current or former employee provides written authorization to ACI to provide additional detail.

## Dress and Grooming Standards

ACI considers the presentation of ACI's image to its customers, suppliers, and the public at large to be extremely important. Since ACI's product includes service, and excellent service can only be provided through its employees, ACI not only seeks good performance and conduct from its employees, but also expects them to observe high standards in their personal presentation.

Accordingly, while ACI has no formal dress code, it expects all employees to dress in a manner consistent with good hygiene, safety, and good taste.

Nothing in this dress code is intended or should be construed to violate, restrict or discriminate against any employee's actual or perceived race (including hair texture and natural hair styles), religion, religious creed, sex, sexual orientation, gender, gender identity or status, gender expression, national origin, ancestry, age, nursing mothers, any combination of two or more of these protected classes, or any other basis protected by local, state, or federal laws. If any employee believes that their protected rights based upon a protected class are being restricted or violated in some manner by the dress code, please contact your manager or Business Operations so that these concerns can be addressed. Any employee who needs a medical or religious accommodation to ACI's dress and grooming standards should contact the Business Operations Department.

## Smoking

ACI maintains a smoke- and tobacco-free environment. No smoking or other use of tobacco products (including, but not limited to, cigarettes including electronic smoking devices or e-cigarettes, pipes, hookahs, cigars, snuff, or chewing tobacco) is permitted in any part of the building or in vehicles owned, leased, or rented by ACI. In any place, except in restricted smoking area(s), right of non-smokers to breathe clean air prevails over the right of the smokers to smoke. Smoking is allowed outside on designated breaks and lunchtime only.

## Solicitation, Distribution, and Bulletin Boards

Employees may engage in solicitation on ACI premises only during their nonworking time. Nonworking time means time during meals or breaks and before or after work.

Employees may distribute or circulate non-ACI written materials only during nonworking time and only in nonwork areas. If an employee is not certain whether an area is a work or nonwork area, they should consult their immediate supervisor for clarification.

Solicitation or distribution in any way connected with the sale of any goods or services for profit is strictly prohibited anywhere on ACI property at any time. Similarly, solicitation or distribution of literature for any purpose by non-employees is strictly prohibited on ACI property at any time.

The Company has bulletin boards located throughout the facility for the purpose of communicating with employees. Postings on these boards are limited to items posted by the Company, including statutory and legal notices, safety and disciplinary rules, Company policies, memos of general interest relating to the Company, local operating rules, and other Company items. All postings require the prior approval of the Division Manager or the Human Resources representative. No postings will be permitted for any other purpose.

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## Operation of Vehicles

Employees who are required to drive a company or personal vehicle on ACI business will be required to show proof of current, valid driver licenses, and current Department of Motor Vehicles record (print out).

All employees who drive as a part of their job and any of its passenger(s), must wear a seat belt. Under no circumstances will you drive while under the influence of drugs and/or alcohol. It is the responsibility of every employee to drive safely and obey all traffic, vehicle safety, and parking laws or regulations. Drivers must demonstrate safe driving habits at all times.

ACI owned or leased vehicles may be used only as authorized by management.

ACI retains the right to transfer to an alternative position, suspend or terminate an employee whose license is revoked, or who is uninsurable under ACI's policy.

## I. Portable Communication Device Use While Driving

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

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

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

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

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

When applicable, protected concerted activity covered by the NLRA or the particular collective bargaining agreement is not prohibited by this policy. This policy in no way prohibits employee communications that are protected under applicable state and federal laws, including, but not limited to, any activity that is protected under Section 7 of the NLRA, which includes the right of employees to speak with others about their terms and conditions of employment. To the extent that any provision of this handbook purports to prohibit conduct that is or is later determined to be otherwise protected under Section 7 of the NLRA, such conflicting provisions will be void.

## Holidays

ACI observes the following standard holidays each year:

- New Year's Day
- Presidents' Day
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving Day
- Friday After Thanksgiving
- Christmas Eve
- Christmas Day

Two Floating Holidays to be designated by employee and approved by Supervisor. These two days will be carried over to the following year; however, California law requires that the floating holidays be treated as vacation days. This means that unused floating holidays will be tracked and paid to employees at time of termination.

Eligible employees will receive a day off on each of the holidays listed above.

## I. Eligibility

Unless otherwise provided in this policy, all full-time employees will receive time off with pay at their normal base rate for each ACI-observed holiday. Part-time and temporary employees are not eligible for paid holiday benefits. ACI reserves the right to determine how many and which holidays will be paid per year. Moreover, all employees are ineligible for holiday benefits while they are on leave of absence.

Non-exempt full-time employees must work their scheduled workday before and after the holiday in order to be eligible for holiday pay, unless the employee is absent with prior permission from their supervisor.

## II. Weekends and Vacations

When a holiday falls on a Saturday it will be at ACI's discretion to decide which day to observe the holiday. If a holiday falls on a Sunday, it will be observed on the following Monday. When Christmas or New Years falls on a Saturday, it will be observed on the preceding Friday.

## III. Pay In Lieu of Time Off

ACI may, in its sole discretion, require hourly employees to work on ACI-observed holidays, in which case ACI will provide pay in lieu of time off.

## IV. Rate of Pay

Nonexempt employees required to work on an ACI-observed holiday will be paid their normal base rate for all hours worked, plus (for full-time employees) 8 hours' straight-time pay for the holiday. Overtime provisions will apply.

## Vacation Policy

ACI provides vacation benefits to eligible employees to enable them to take paid time off for rest and recreation. ACI believes that this time is valuable for employees in order to enhance their productivity and make their work experience with ACI personally satisfying. ACI also provides long-service employees with additional vacation benefits as years of service are accumulated.

## I. Vacation Accrual

All regular full-time employees are eligible to accrue vacation benefits based on their continuous length of service, measured from the completion the date of hire. "Continuous length of service" is defined as service that is uninterrupted by termination of employment and subsequent rehire by ACI. Vacation accrues according to the following schedule:

Years of Continuous Service From Hire date through 3rd year of continuous employment	Vacation Accrual Maximum of 10 vacation days total, accrual rate is 3.08/2.67 hours per pay period (3.08 for a 40-hr/week employee; 2.67 for a 30-hr/week employee)
Beginning of 4th year through 5th year of continuous employment	Maximum of 12 vacation days total, accrual rate is 3.69/2.77 hours per pay period (3.69 for a 40-hr/week employee; 2.77 for a 30-hr/week employee.)
Beginning of 6th year of continuous employment and thereafter	Maximum of 15 vacations days total, accrual rate is 4.62/3.46 hours per pay period (4.62 for a 40-hr/week employee; 3.46 for a 30-hr/week employee).

## II. Part-Time and Temporary Employees

Regular non-exempt part-time and temporary employees do not accrue vacation benefits.

## III. Maximum Accrual

Employees may carry over any accrued and unused vacation hours, up to a maximum of 1.5 times their annual accrual bank (e.g. 22.5 days for an employee with more than six years of service. Once they reach this cap they will stop accruing additional vacation time. Vacation accruals will recommence after the employee has taken vacation and their accrued hours have dropped below the maximum.

## IV. Pay in Lieu of Vacation

No employee will receive pay in lieu of vacation, unless the employee has deferred their vacation at ACI's request.

## V. Vacation Accrual During Leaves of Absence

Employees do not accrue vacation during an unpaid leave of absence or while on disability salary continuation. Vacation accruals recommence when the employee returns to work.

## VI. Vacation Pay on Termination

On termination of employment, employees are paid all accrued but unused vacation through their last day worked at their final rate of pay at the time of termination.

## VII. Vacation Approval

All vacations must be approved in advance by the employee's immediate supervisor.

## VIII. Vacation Scheduling

Vacation requests are to be submitted for approval, in writing, to the Supervisor at least 20 days in advance of the desired vacation time in order to determine staffing requirements and allow scheduling of coverage. Employees may not take more than two weeks or ten days of vacation at a time without the approval of the Supervisor.

ACI will make every effort to accommodate vacation requests. All vacation must be taken in minimum increments of 1-day.

Vacation requests will generally be approved in the order they are submitted. If a conflict arises between two employees requesting the same dates for vacation, priority will be based on what management determines to be in the best interest of ACI, and may consider workload, length of service, available resources, among other considerations.

## **IX. Vacation Use**

All vacation days generally should be taken not later than the calendar year immediately following the year in which they accrue, unless prior approval is obtained from the supervisor to carry over the vacation days to the subsequent year.

## **X. Vacation Advances**

An employee is not permitted to borrow on future accrual of vacation benefits, except with the approval of the Business Operations Manager. In no case may new employees borrow or take vacation time before they become eligible to accrue vacation, as described in Paragraph A, above. Employees who use any vacation days before they have been accrued and then leave the employ of ACI must repay any overdrawn amount to ACI at the time of termination.

## **XI. Holidays Occurring During Vacation**

If an observed ACI holiday (see guideline entitled "Holidays") occurs during an employee's scheduled vacation, no deduction from accrued vacation will be made for the holiday. An employee may add to their vacation period by using the holiday in place of accrued vacation time.

## **XII. Vacation Increments**

Eligible employees must take accrued vacation in increments of at least 8 hours.

## **XIII. Vacation for Family Care and Medical Leave Purpose**

Employees will not be required to use accrued vacation time prior to receiving Paid Family Leave but will be required to use accrued time prior to receiving State Disability Insurance. Please see Business Operations for more information.

## **Sick Leave**

In order to help prevent loss of earnings that may be caused by accident or illness, ACI has established paid sick leave.

Please note: Certain cities/counties in California have separate paid sick leave ordinances that may provide different benefits to employees. When such benefits are more advantageous to employees, the provisions of such ordinances will prevail over any contrary terms in this policy. Employees should contact their Business Operations Department for more information and to learn if any such local ordinances apply to them.

### **I. Eligibility**

An employee qualifies to accrue paid sick leave under this policy upon the start of the employee's employment. In addition, employees may take paid sick leave accrued under this policy if they have worked for ACI for at least 90 calendar days.

### **II. Leave Benefit**

State law states: Employees accrue one hour of paid sick leave for every 30 hours of work performed. Unless a local ordinance requires otherwise, employees may not accrue more than 80 hours or ten regularly scheduled workdays of paid sick leave, whichever is greater, at any given time. Employees who reach the applicable cap will cease to accrue further paid

sick leave hours until paid sick leave is used, at which point the employee will continue to accrue additional paid sick leave up to the cap.

ACI's policy: A full-time employee will accrue 10 days each year (3.08 hours / payroll) with a cap of 20 days, or 160 hours.

### III. Leave Usage

Employees may take the greater of 80 hours or ten regularly-scheduled workdays' worth of paid sick leave per leave year for any of the qualifying reasons discussed below, as well as any reasons allowed for under an applicable local paid sick leave ordinance. For the purposes of this policy, the leave year is the employee's anniversary year.

Paid sick leave may be used for the diagnosis, care (including preventive care), or treatment of an existing health condition of an employee and certain family members of the employee.

A family member includes a child, parent, spouse, domestic partner, grandparent, grandchild, or sibling. For purposes of this policy, a "child" means a biological or adopted child, a foster child, a step-child, a legal ward, or a child to whom the employee stands in loco parentis. Similarly, a "parent" under this policy means a biological or adoptive parent, a foster parent, a step-parent, an employee's legal guardian, a legal guardian of an employee's spouse or domestic partner, or a person who stood in loco parentis when the employee was a minor child.

Employees who are victims of domestic violence, sexual assault, or stalking also may use paid sick leave for treatment, assistance, and other purposes authorized by law.

Additionally, when the employees' workplace or their child's school or place of care has been closed by a public official for any health-related reason, paid sick leave may be used.

A designated person is someone named by the employee for whom the employee will provide care if the employee has no spouse or registered domestic partner. The employee must identify the designated person for whom they will provide care no less than 30 days after he or she begins to accrue paid sick leave. ACI provides the employee opportunity to change this designation once per year. An employee may also use paid sick leave for purposes related to donating the employee's bone marrow or an organ of the employee to another person. Further, an employee may use paid sick leave to care for or assist a person, as specified above, for purposes related to that person's donating bone marrow or an organ to another person.

Employees using paid sick leave must do so in minimum increments of one hour.

All Other Employees: Employees using paid sick leave must do so in minimum increments of two hours.

All Employees: If an employee has exhausted all available sick leave under this policy, ACI reserves the right to apply accrued Vacation or PTO for any absences related to the outlined sick leave usage above. Employees will be paid for sick leave not later than the payday for the next regular payroll period after the sick leave was taken. Finally, an employee will not be required to search for or find a replacement if the employee is taking paid sick leave under this policy.

## IV. Compensation for Sick Leave

Paid sick days ordinarily are paid at the employee's normal rate of pay earned during regular work hours. Accrued, unused paid sick leave is not paid out upon termination or resignation. However, employees separating from employment who are rehired within one year from the date of separation will have their previously accrued and unused paid sick days reinstated. The employee also will begin accruing paid sick leave upon re-hire (assuming the employee's bank is below the applicable cap). In addition, if the employee is re-hired within one year from the date of separation, any number of days that the employee previously worked for ACI will be credited toward the 90 calendar days that an employee must have worked for ACI before being eligible to use paid sick leave under this policy.

## V. Approval

If the need for paid sick leave is foreseeable (e.g., scheduled routine medical appointments), the employee must provide reasonable advance notice. If the leave is not foreseeable, the employee must provide notice of the leave as soon as practical. When requesting sick leave, employees should not disclose any private medical information or any other confidential personal information.

ACI may request reasonable documentation. What is reasonable depends on the situation, but a requirement should never be so difficult that it deters legitimate PSL. Documentation may be required after more than three consecutive days of PSL use.

## VI. Non-Retaliation or Discrimination

ACI strictly prohibits any form of retaliation or discrimination against an employee for attempting to use or using paid sick leave under this policy, and for any other reason prohibited by applicable law. Employees who believe they have been discriminated or retaliated against should report their concerns to Business Operations.

## Leaves of Absence

### I. Pregnancy-Disability Rights

#### A. Leaves of Absence and Transfers

ACI recognizes that employees may be unable to work for temporary but extended periods of time due to pregnancy, childbirth, or related medical conditions ("Pregnancy-Disability"). Accordingly, for any employee who is disabled by pregnancy, childbirth, or related medical conditions, ACI provides Pregnancy-Disability leave for the period of actual disability, up to a maximum of four months. Pregnancy-Disability leave may be taken intermittently, or on a reduced-hours schedule, as medically advisable.

Moreover, an employee is entitled to a reasonable accommodation for pregnancy, childbirth, or related medical conditions if the employee so requests and provides ACI with medical certification from the employee's health care provider. In addition to other forms of reasonable accommodation, a pregnant employee is entitled to transfer temporarily to a less strenuous or hazardous position or to less hazardous or strenuous duties if the employee so requests, the transfer request is supported by proper medical certification, and the transfer can be reasonably accommodated.

#### B. Procedure for Requesting Pregnancy-Disability Leave or Transfer

Whenever possible, an employee should submit a written request for Pregnancy-Disability leave or Pregnancy-Disability transfer to the Business Operations Manager as soon as the employee is aware of the need for such leave or transfer. If the

leave or transfer is foreseeable, the employee must provide 30 calendar days' advance notice to ACI of the need for Pregnancy-Disability leave or transfer. If it is not practicable for the employee to give 30 calendar days' advance notice of the need for leave or transfer, the employee must notify ACI as soon as practicable after the employee learns of the need for the Pregnancy-Disability leave or transfer.

If an employee fails to provide the requisite 30 days' advance notice for a foreseeable need for leave or transfer, without any reasonable excuse for the delay, ACI reserves the right to delay the taking of the leave until at least 30 days after the date the employee provides notice of the need for the leave or transfer.

Any request for a Pregnancy-Disability leave must be supported by medical certification from a health care provider, which shall provide the following information: (a) the date on which the employee became disabled due to pregnancy; (b) the probable duration of the period or periods of disability; and (c) an explanatory statement that, due to the disability, the employee is unable to work at all or is unable to perform any one or more of the essential functions of the employee's position without undue risk to themselves, their pregnancy, or to other persons. In the case of a Pregnancy-Disability transfer, the medical certification shall provide the following information: (a) the date on which the need to transfer became medically advisable; (b) the probable duration of the period or periods of the need to transfer; and (c) an explanatory statement that, due to the employee's pregnancy, the transfer is medically advisable. Upon expiration of the time period for the leave or transfer estimated by the health care provider, ACI may require the employee to provide another medical certification if additional time is requested for leave or transfer.

### C. Substitution of Paid Leave For Pregnancy-Disability Leave

An employee taking Pregnancy-Disability leave must substitute any accrued sick pay for their leave and may, at the employee's option, substitute any accrued vacation time for their leave. Except to the extent that paid leave is substituted for Pregnancy-Disability leave, the Pregnancy-Disability leave will be unpaid. The substitution of paid leave for Pregnancy-Disability leave does not extend the total duration of the leave to which an employee is entitled.

### D. Leave's Effect on Benefits

During an employee's Pregnancy-Disability Leave, ACI will continue to pay for the employee's participation in ACI's group health plans, to the same extent and under the same terms and conditions as would apply had the employee not taken leave.

Thus, the employee must continue to pay the employee's share of the health plan premiums during the leave. If the employee substitutes paid leave for the unpaid leave, such payments will be deducted from the employee's pay through the regular payroll deductions. Otherwise, the employee must make arrangements with ACI for the payment of such premiums.

All other benefits will be governed in accordance with the terms of each benefit plan and are the sole responsibility of the employee.

ACI may recover from the employee the premium that ACI paid to maintain coverage for the employee under the group health plan if the employee fails to return from leave after the period of leave has expired and the employee's failure to return is for a reason other than: (i) the employee is taking leave under the California Family Rights Act; (ii) the continuation, recurrence, or onset of a health condition that entitles the employee to leave for Pregnancy Disability, or other circumstances beyond the employee's control.

Employees on Pregnancy-Disability leave will accrue employment benefits, such as sick leave, vacation leave, and seniority only when paid leave is being substituted for unpaid leave and only if the employee would otherwise be entitled to such accrual.

Employee benefits may be continued during the unpaid portion of the Pregnancy-Disability leave according to the provisions of ACI's various employee benefit plans.

#### E. Reinstatement After Pregnancy-Disability Leave or Transfer

ACI and the employee have already agreed upon the employee's return date, an employee who has taken a Pregnancy-Disability leave or transfer must notify the Business Operations Manager at least two business days before the employee's scheduled return to work or, as applicable, transfer back to the employee's former position. An employee who timely returns to work at the expiration of the employee's Pregnancy-Disability leave will be reinstated to the employee's former position, or a comparable position, whenever possible and consistent with applicable law.

Each employee who has taken a Pregnancy-Disability leave or transfer must be released by the employee's doctor to return to work. The release should be in writing and submitted to the Business Operations Manager on or before the employee's return from a Pregnancy-Disability leave or transfer.

## II. California Family Rights Act (CFRA)

### A. Eligibility

To be eligible for CFRA leave, an employee must (1) have worked for ACI for at least twelve months prior to the date on which the leave is to commence; and (2) have worked at least 1,250 hours in the twelve (12) months preceding the leave.

### B. Permissible Uses

An eligible employee may take an unpaid leave for the following reasons:

- To bond with an adopted or foster child, or to bond with a newborn;
- To care for the following family members with a serious health condition:
  - Parent or parent-in-law,
  - Current spouse or domestic partner;
  - Child (regardless of age or dependency status including the child of a domestic partner);
  - Grandparent or grandchild; or
  - Sibling (i.e.: a person related to another person by blood, adoption, or affinity through a common legal or biological parent).
- To care for a designated person, who may be designated at the time of requested leave, and once per 12-month period.
- For the employee's own health condition.
- A qualifying military exigency related to the covered active duty or call to covered active duty of an employee's spouse, domestic partner, child, or parent in the United States Armed Forces, as specified in Section 3302.2 of the Unemployment Insurance Code.

Fulltime employees may take leave of up to 12 work weeks in a 12-month period. Part-time employees may take leave on a proportional basis. The leave does not need to be taken in one continuous period of time.

Additionally, parents who work for the same Company are permitted to each take up to twelve (12) weeks of leave each for the care of a child newly born or placed with the family for adoption, or for care during a serious illness.

### **C. Substitution of Paid Leave**

Employees are required to substitute accrued vacation time and other paid personal leave (except sick leave) for all family care, medical leaves, and military leaves. Employees are required to substitute sick leave only for the employee's own medical leaves. Employees may elect to substitute sick leave to attend to an illness of a child, parent, spouse or domestic partner of the employee or for other types of family care leave.

### **D. Leave's Effect on Pay**

Except to the extent that other paid leave is substituted for family care, medical, and military family leave, leave under the CFRA is unpaid. However, employees may be entitled to California State Disability Insurance (SDI) when leave is taken for their own serious health condition.

Employees also may be entitled to Paid Family Leave (PFL) benefit payments for up to eight (8) weeks in any twelve-month period during leaves to care for qualifying family members. PFL provides a partial wage replacement for absences from work to care for a seriously ill or injured family member or for bonding with a minor child within one year of the birth or placement of the child in connection with foster care or adoption. Employee contributions provide funding for this program. PFL is administered like SDI by the California Employment Development Department. To the extent possible, PFL benefits must run concurrently with family care leave and do not entitle an employee to take any additional time off.

### **E. Leave's Effect on Benefits**

During an employee's CFRA leave, ACI will continue to pay for the employee's participation in ACI's group health plans, to the same extent and under the same terms and conditions as would apply had the employee not taken leave.

Thus, the employee must continue to pay the employee's share of the health plan premiums during the leave. If paid leave is substituted for the unpaid leave, such payments will be deducted from the employee's pay through the regular payroll deductions. Otherwise, the employee must make arrangements with ACI for the payment of such premiums.

If the employee fails to pay the employee's share of the premiums during leave, or if the employee fails to return from the leave at the expiration of 12 weeks (or 26 weeks in the case of a military caregiver leave) for a reason other than the recurrence, continuation, or onset of a serious health condition for which leave under this policy is allowed or other circumstances beyond the employee's control, ACI can recover any health plan premiums paid by ACI on the employee's behalf during any periods of the leave.

With regard to other employee benefit plans consisting of disability insurance plans, pension and retirement plans, and supplemental unemployment benefit plans, ACI will continue to pay for the employee's participation in such plans to the same extent and under the same conditions as apply to other leaves that are not family care, medical and military family leaves. Specifically, with regard to unpaid leaves under this policy: An unpaid leave taken for an employee's own serious health condition will be treated like other unpaid disability leaves; unpaid leaves taken for other qualifying family care or medical purposes will be treated like other unpaid personal leaves offered by ACI. Under any circumstances, however, leave taken for family care or medical leave or military family leave will not be treated as a break in service and will not result in the loss of

seniority--even if other paid or unpaid leaves count as a break in service or result in a loss of seniority, or for layoffs, recalls, promotions, job assignments, or seniority-related benefits. Nor will the use of family care, medical or military family leave result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

## **F. Procedure for Requesting California Family Rights Act Leave**

### **1. Notice Requirements**

Employees must notify ACI of their request for CFRA leave as soon as they are aware of the need for such leave. For foreseeable family care, medical, and military caregiver leave, the employee must provide 30 calendar days' advance notice to ACI of the need for leave. For events that are unforeseeable 30 days in advance, the employee must notify ACI as soon as is practicable and generally must comply with ACI's normal call-in or notice procedures. If the leave is requested in connection with a planned, non-emergency medical treatment, the employee must make an attempt to schedule such treatment so as to avoid unduly disrupting ACI operations and may be requested to reschedule the treatment so as to minimize disruption of ACI's business.

If an employee fails to provide the requisite 30-day advance notice for foreseeable events without any reasonable excuse for the delay, ACI reserves the right to delay the taking of the leave until at least 30 days after the date the employee provides notice of the need for family care or medical leave.

All requests for CFRA leave should include enough information to make ACI aware that the employee needs qualifying leave, and the anticipated timing and duration of the leave, if known. 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 ACI if the requested leave is for a reason for which CFRA leave was previously taken or certified.

Any requests for extensions of leave under this policy must be received as soon as is practicable and must include the revised anticipated date(s) and duration of the leave. To the extent permitted by law, ACI reserves the right to deny requests for extensions or deny reinstatement to an employee who exceeds the leave amounts provided by this policy or fails to provide requested medical certification. In addition, if an employee has a disability, the employee may be eligible for leave under the Americans with Disabilities Act (ADA) or state law. For more detailed information on extended leaves, please contact.

Once ACI is aware of the employee's need for leave, it will inform the employee whether the employee is eligible under the CFRA. If the employee is eligible, the notice will specify any additional information required as well as the employees' rights and responsibilities. If the employee is not eligible, ACI will provide a reason for the ineligibility.

### **2. Certification**

Any request for medical leave for an employee's own serious health condition, for family care leave to care for a child, spouse, domestic partner or parent with a serious health condition or for a serious injury, or for military caregiver leave must be supported by medical certification from a health care provider. For foreseeable leaves, employees must provide the required medical certification before the leave begins. When this is not possible, employees must provide the required certification within 15 calendar days after ACI's request for certification, unless it is not practicable under the circumstances to do so, despite the employee's good faith efforts.

The medical certification for a child, spouse, domestic partner or parent with a serious health condition or for the serious injury or illness of a qualifying service member must include (a) the date on which the serious health condition or serious injury or illness commenced; (b) the probable duration of the condition or injury or illness; (c) the health care provider's estimate of the amount of time needed for family care; (d) the health care provider's assurance that the health care condition or injury or illness warrants the participation of the employee to provide family care; and (e) in the case of intermittent or reduced schedule leave where medically necessary, the probable duration of such a schedule.

The medical certification for leave for the employee's own serious health condition must include (a) the date on which the serious health condition commenced; (b) the probable duration of the condition; (c) a statement that, due to the serious health condition, the employee is unable to perform the essential functions of the employee's position; and (d) in the case of intermittent leave or reduced schedule leave where medically necessary, the probable duration of such a schedule. In addition, the certification may, at the employee's option, identify the nature of the serious health condition involved.

Failure to timely provide the required certification may result in the denial of foreseeable leave until such certification is provided. In the case of unforeseeable leaves, failure to timely provide the required certification may result in a denial of the employee's continued leave. Where the employee's need for leave due to the employee's own serious health condition, or the serious health condition of the employee's covered family member, lasts beyond a single leave year, ACI may require the employee to provide a new medical certification in each subsequent leave year. Any request for an extension of the leave also must be supported by an updated medical certification.

It is the employee's responsibility either to furnish a complete and sufficient certification or to furnish the healthcare provider providing the certification with any necessary authorization from the employee or the employee's family member in order for the health care provider to release a complete and sufficient certification to ACI to support the employee's leave request.

Where permitted by law, if ACI has a good-faith, objective reason to doubt the validity of the medical certification provided by the employee, ACI may require the employee to obtain a second opinion from a doctor of ACI's choosing at ACI's expense. If the employee's health care provider providing the original certification and the doctor providing the second opinion do not agree, ACI may require a third opinion, also at ACI's expense, performed by a mutually agreeable doctor who will make a final determination. It is the employee's responsibility to furnish the employee's health care provider with the necessary authorization for the disclosure of medical information to the doctor(s) who will provide the second and third opinions. If the employee fails to provide the necessary authorization, the request for leave may be denied, in accordance with applicable law.

## **G. Designation of Protected Leave**

Once ACI has enough information to determine whether the leave is CFRA -qualifying, ACI will inform the employee if leave will be designated as CFRA -protected and, if known at that time, the amount of leave that will be counted against the employee's leave entitlement. If ACI determines that the leave is not protected, ACI will notify the employee.

## **H. Recertification**

The employee taking leave may be required to provide ACI with recertification at appropriate intervals. For purposes of recertification, the employer may request the same information as allowed by law for the original certification. As part of that request, ACI may provide the healthcare provider with a record of the employee's absence pattern to confirm whether such a pattern is consistent with the need for leave. The employee must provide the requested recertification within 15 calendar days of such a request, unless it is not practicable to do so despite the employee's diligent, good faith efforts.

## **I. Return to Work Certification**

Where the leave is for the employee's own serious health condition, ACI requires employees to provide medical certification that the employee is released to return to work and able to do so. ACI may delay restoring the employee to employment or terminate the employee without such certificate.

## **J. Leave's Effect on Reinstatement**

Employees timely returning from a leave covered under this policy are entitled to reinstatement to the same or equivalent position consistent with applicable law. An employee has no greater right to reinstatement than if the employee had been continuously employed rather than on leave. ACI will comply with all applicable laws pertaining to reinstatement of employees, including where required, the reasonable accommodation of employees who have been on an approved leave.

## **III. Temporary Disability Leave**

### **A. Eligibility and Duration**

In addition to Pregnancy-Disability leaves, employees may take a temporary disability leave of absence if necessary to reasonably accommodate a workplace injury or a qualified disability under the Americans with Disabilities Act and/or the California Fair Employment and Housing Act.

The duration of a disability leave under this section shall be consistent with applicable law, but in no event shall the leave extend past the date on which an employee becomes capable of performing the essential functions of their position, with or without reasonable accommodation. For a full explanation of leave rights, employees should contact the Business Operations Department.

If the disability leave is needed due to a work-related injury, all matters relating to an employee's leave rights, including compensation, benefits, substitution of paid leave, notice and certification requirements, and reinstatement shall be governed by state workers' compensation laws. Employees having questions about such rights should contact the Business Operations Department.

### **B. Leave's Effect On Pay And Benefits**

An employee taking temporary-disability leave must substitute any accrued sick pay and vacation pay for the leave. Except to the extent that paid leave is substituted for temporary-disability leave, the temporary-disability leave will be unpaid.

Group insurance benefits may be continued during the temporary-disability leave period. However, the cost of such coverage, excluding ACI's premium payment, becomes the responsibility of the employee. The employee and the Business Operations Department should agree upon a payment schedule before the employee's leave begins.

### **C. Procedure for Requesting Disability Leave**

Unless the circumstances render it impractical, a temporary-disability leave must be approved in advance the Business Operations Manager. Whenever possible, an employee should submit a written request for disability leave to the Business Operations Manager as soon as the employee is aware of the need for such leave or transfer. Any request for a disability leave must be supported by medical certification from a health care provider, which shall provide the following information: (a) the date on which the employee became disabled; (b) the probable duration of the period or periods of disability; and (c) an

explanatory statement that, due to the disability, the employee is unable to work at all or is unable to perform any one or more of the essential functions of their position without undue risk to the employee or to other persons. The certification should also explain what accommodations, if any, will assist the employee with performing the essential functions of their position.

#### D. Reinstatement After Temporary-Disability Leave

Each employee who has taken a temporary-disability leave must keep the Business Operations Manager advised of the disability status and must contact the Business Operations Manager at least two weeks prior to the expiration of the scheduled leave to discuss the employee's return to work. An employee desiring to return to work from temporary-disability leave shall be reinstated in accordance with applicable law and shall be given their former position when staffing requirements permit. ACI cannot, however, guarantee that the employee's former position, or any other position, will be available upon the expiration of the scheduled leave.

Each employee who has taken a temporary-disability leave must be released by a doctor to return to work. The release should be in writing and submitted to the Business Operations Manager on or before the employee's return from temporary-disability leave.

#### E. Premium Payments for Employees on Temporary Disability Leave

ACI will pay the employer's portion of premiums for continuation of ACI-sponsored group health plan benefits during the first 30 days of any authorized temporary disability leave. Thereafter, the employee may only continue coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) and, if applicable, the California Continuation of Benefits Replacement Act (Cal-COBRA) and must pay the full cost of doing so.

#### F. Conversion/Post-Employment Insurance Options

Pursuant to COBRA and Cal-COBRA eligible employees and their dependents may be entitled to continue medical, dental, vision and health flexible spending account coverage after employment with ACI ceases or certain other qualifying events occur. COBRA information is provided separately. In addition, you also can contact the Business Operations Department to obtain COBRA information.

### IV. Other Leaves Of Absence

#### Military Leave Of Absence

ACI will grant employees a military leave of absence to the extent required by applicable federal and state law.

#### Jury and Witness Duty

ACI will provide employees time off to serve, as required by law, on a jury or grand jury if the employee provides reasonable advance notice. ACI will also provide employees with time off to appear in court or other judicial proceedings as a witness to comply with a valid subpoena or other court order.

Employees will be granted a paid leave of absence of up to 10 business days per year for the purpose of fulfilling jury duty. Any jury duty that extends beyond 10 business days per year will be unpaid.

However, exempt employees who work any portion of a workweek in which they also serve on jury duty or appear as a witness will receive their full salary for that workweek. Employees may elect to substitute accrued vacation or paid sick leave during any unpaid leave due to jury duty or a witness appearance.

Employees also are expected to report to work each day or portion of a day they are not performing jury/witness duty.

The Company prohibits any discrimination or discharge due to an employee taking time off under this policy.

### Voting Time Off

Employees who do not have sufficient time outside of their regular working hours to vote in a statewide election may request time off to vote. If possible, employees should make their request at least two days in advance of the election. Up to two hours of paid time off will be provided, at the beginning or end of the employee's regular shift, whichever will allow the most free time for voting and the least time off work. Further, ACI will not discriminate or retaliate against an employee who is requesting time away from work while serving as an election officer.

### Bereavement Leave

Employees who have worked for 30 days for the Company will be allowed up to five (5) working days off to arrange and attend the funeral of an immediate family member. This leave must be taken within the first three (3) months of the family member's death. The time need not be consecutive.

For purposes of this policy an employee's immediate family is defined to include the employee's current spouse, current domestic/civil-union partner, parent, stepparent, or current parent-in-law, sibling or stepsibling, children or stepchildren, grandparents, current grandparents-in-law and grandchildren.

Employees will be paid their regular base rate of pay for the first three (3) days of absence. The remaining two days are unpaid. Employees may request the opportunity to use any accrued vacation/PTO/sick leave time or additional unpaid leave.

The Company will maintain the employee's privacy as to the nature of this leave, and will not engage in acts of discrimination, interference, or retaliation relating to an employee's use of this leave.

### Reproductive Loss Leave

Employees will be eligible for reproductive loss leave when they have been working for the Company for at least 30 days prior to the need for the leave and experience a qualifying event. Eligible employees may take up to five (5) working days off when they suffer a reproductive loss event, such as miscarriage, stillbirth, unsuccessful surrogacy, adoption, or assisted reproduction.

The time can be nonconsecutive and must be taken within the first three months following the event. If an employee experiences more than one reproductive loss in a 12-month period, they can receive another 5 days of leave. Should the employee already be on Pregnancy Disability Leave or CFRA, the employee may complete the reproductive loss leave within three months of the end of the other leave.

This time is unpaid, but employees may use any accrued vacation/PTO/sick leave.

The Company will maintain the confidentiality of any employee requesting this leave and cannot terminate, discriminate, or retaliate against employees for exercising their rights under the law.

### Crime Victims' Leave

ACI will provide time off to an employee to attend judicial proceedings or obtain relief (such as a restraining order) to ensure health, safety or welfare of the victim when that time is related to a crime, if that employee is a victim of crime, an immediate family member of a victim, a registered domestic partner of a victim, or the child of a registered domestic partner of a victim.

A victim means:

- A victim of stalking, domestic violence or sexual assault;
- A victim of a crime that caused physical injury or that caused mental injury and a threat of physical injury;
- A person whose immediate family member is deceased as the direct result of a crime; and
- Any person against whom any crime has been committed.

A crime means a crime or public offense that constitutes a misdemeanor or felony, regardless of:

- Where it takes place; and
- Whether any person is arrested for, prosecuted for or convicted of committing the crime.

ACI requires that where feasible, in advance of taking leave, the employee provide it with a copy of the notice of each scheduled proceeding that is provided to the victim by the agency responsible for providing notice. If advance notice is not possible, the employee is required to provide ACI with a copy of the notice within a reasonable time.

No employee who is absent from work pursuant to this provision will be discharged or otherwise discriminated against in compensation or other terms, conditions or privileges of employment, because of such absence. Such leave is unpaid. Employees taking leave under this policy may elect to apply vacation time to such leave.

No employees will be subject to discrimination or retaliation because of their status, or their family's status, as a victim if the employee provides notice of the status or the Company has actual knowledge of the status.

### Leave for Organ and Bone Marrow Donation (applies when ACI has 15 or more employees)

ACI will grant an employee the following paid leaves of absence for the purpose of organ or bone marrow donation:

- 1) A leave of absence of up to five business days in any one-year period for the purpose of donating the employee's bone marrow to another person.
- 2) A leave of absence of up to 30 business days in any one-year period for the purpose of the employee donating their organ to another person.

A leave of absence for the purpose of organ or bone marrow donation will be provided with pay, however, if an employee has earned and unused sick or vacation time available, the employee is required to first use up to five days of paid sick or vacation time for a bone marrow donation and up to two weeks of sick or vacation time for organ donation.

In order to receive a leave of absence pursuant to this policy, the employee must provide written verification to Business Operations that they are an organ or bone marrow donor and that there is a medical necessity for the donation of the organ or bone marrow.

Any leave taken for the donation of an organ or bone marrow will not constitute a break in service for purposes of the employee's right to salary adjustments, sick leave, vacation, annual leave, or seniority. During any leave taken under this policy, ACI will maintain and pay for coverage under any group health plan, for the full duration of this leave.

Leave provided under this policy may be taken in one or more periods.

Leave taken under this policy will not run concurrently with any leave taken pursuant to the federal Family and Medical Leave Act or the California Family Rights Act.

Upon expiration of a leave of absence authorized by this policy, ACI will restore the employee to the position held by the employee when the leave began or to a position with equivalent seniority status, employee benefits, pay, and other terms and conditions of employment. ACI may decline to restore an employee because of reasons unrelated to the exercise of rights under this policy by the employee.

### Personal Leave of Absence Policy

In its sole discretion, ACI may grant a personal leave of absence for a compelling personal reason that does not fall within another leave category. Employees who have completed at least one year of continuous service may submit a written request to Business Operations for a personal leave of absence or vacation, without pay, for any length of time up to a maximum of three (3) months. Written requests must state the reason for the leave, as well as the beginning and ending dates. Requests for personal leaves will be granted at the sole discretion of ACI, based on the facts and circumstances surrounding each individual request.

ACI is not able to guarantee reinstatement following return from a personal leave of absence. ACI will make reasonable efforts to place the employee in a suitable vacancy if one exists. Such employees may be terminated or denied reinstatement if business necessity requires that the employee be replaced during the leave or if the employee is terminated or the position is eliminated due to a layoff, reorganization or other intervening cause.

While on personal leave, employees with health insurance will be required to continue paying their customary share of premiums for medical coverage for the duration of the leave. Payments must be made by the first day of each month. With fifteen days' notice, ACI can cancel the coverage of employees who fail to make timely premium payments or else elect to pay the premiums and recover them from the employee upon return to work, or upon termination, as permitted by law.

## Employee Benefits

ACI provides benefits as described in general terms below. The terms on which benefits are made available to employees are set forth in the governing plan documents. In the event of a conflict between the following descriptions and the terms of the plan documents, the plan documents will control. This handbook is not a plan document and does not create any enforceable rights with respect to benefits or otherwise. ACI reserves the right to eliminate or modify any of its benefits at any time without prior notice. Employees who have any questions regarding benefits should contact the Business Operations Manager.

### I. Insurance Benefits

#### A. Workers' Compensation Insurance

ACI carries workers' compensation insurance coverage as required by law to protect employees injured on the job. This insurance provides coverage for certain medical, surgical, and hospital treatment in addition to payment for a portion of any lost earnings that result from work-related injuries. Compensation payments generally begin on the first day of an employee's hospitalization or on the fourth day following the injury if an employee is not hospitalized. The cost of this coverage is paid completely by ACI.

Any leave of absence due to a workplace injury runs concurrently with all other ACI leaves of absence. Employees who need to miss work due to a workplace injury must also request a formal leave of absence. See the Leave of Absence sections of this handbook for more information.

ACI does not provide workers compensation benefits, or accept any liability, for any illness or injury that arises from an employee's voluntary participation in any off-duty recreational, social, or athletic activity or event that is not an expected or required as part of the employee's work-related duties. Employees who choose to participate in any such off duty activities may be required to sign a written agreement to confirm that they are voluntarily assuming the risk of injury or illness and releasing ACI from any such liability.

### 1. Employee Procedures for Obtaining Worker's Compensation

- All work-related injuries should always be reported immediately to your Supervisor no later than the end of the shift on which the injury occurs.
- When medical treatment is sought, the injured employee must advise their Supervisor that they are seeking treatment and obtain a Return to Work Evaluation form. Regardless of the choice of physicians, the Return to Work form must be completed for each practitioner visit. The Return to Work form must be filled in completely, with the specific injury, illness, and/or causes of absence and the treatment recommended by the practitioner. Notes that are unspecific, or general in nature as to the cause for time off, duration of recommended time off, or ability/inability to perform work duties will not be accepted.
- Under this program, temporary light duty (transitional) work is available for up to sixty (60) days (with a review of your progress every 30 days) while you are temporarily unable to work in your regular job capacity. Transitional or light duty work beyond sixty (60) days, up to a maximum of 180 days, will be evaluated on a case-by-case basis.
- If you are unable to return to your regular job, but are capable of performing transitional duty, you must return to transitional duty.
- Failure to return to transitional work when you are capable of transitional work will result in your not being eligible for full disability benefits under the workers' compensation program, and may result in disqualification for certain employee benefits and, in some cases, be a basis for termination.
- Employees who are unable to work and whose absences Abbesside Construction Inc. approves must keep us informed on a weekly basis of their status. Failure to do so will result in a reduction in benefits available and discipline, up to and including termination from employment.
- If you are unable to return to your regular job or transitional duty, your absence must be approved under the Family Medical Leave Act (FMLA) program. For this purpose, you need to complete a Family Medical Leave Request form and submit it to the Business Operations Department. You must also have your practitioner complete both the Return to Work Evaluation form and Return to Work Request / Physician's Authorization form. (Forms are available from the attending Doctor or clinic.)

- Employees who are not eligible for leave under FMLA must return to light duty or regular work if at all possible. If you are unable to return to any available work, your job position may be filled after a reasonable time. When able to do so, you will be entitled to return to a suitable position, if available and consistent with any limitations. However, you must keep us regularly informed of your status and any changes in your condition.
- Employees must provide a Return to Work form indicating they are capable of returning to full duty, and signed by a medical doctor. Permanent restrictions will be evaluated on a case-by-case basis and relate to the performance of essential job functions. ACI is not obligated to create new positions to accommodate permanent restrictions.
- Employees must cooperate with our third-party administrator and provide accurate and complete information as soon as possible so that you receive all benefits to which you are entitled. If you have problems or concerns, please contact your Supervisor and the Business Operations Department.

### **B. California Disability Insurance (Provided by the State of California)**

This plan provides for partial salary replacement coverage for lost wages for employees disabled due to a non-work-related illness or accident. It is funded by tax deductions from each employee's pay (SDI tax) and deposited to a state fund in your name by ACI. In order to qualify for California Disability Insurance payments, an employee must be sick or disabled for more than 7 days, including non-work days. This 7-day waiting period is waived if an employee is in the hospital on the first day of disability or if an employee is disabled for longer than 22 days.

The plan will pay a weekly benefit for up to one year or until the maximum benefit is exhausted. The State of California, not ACI, administers this plan and makes all benefit and eligibility determinations. For more information regarding California Disability Insurance, visit [www.edd.ca.gov](http://www.edd.ca.gov).

### **C. California Paid Family Leave Benefits**

Employees who are off work to care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law, registered domestic partner or designated person with a serious health condition, or to bond with a new child, may be eligible to receive benefits through the California "Paid Family Leave" (PFL) program, which is administered by the Employment Development Department (EDD).

These benefits are financed solely through employee contributions to the PFL program. That program is solely responsible for determining if the employee is eligible for such benefits.

If employees need to take time off work to care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law or registered domestic partner with a serious health condition or to bond with a new child, they must advise ACI, and they will be given information about the EDD's PFL program and how to apply for benefits. Employees also may contact their local EDD Office for further information. Employees should maintain regular contact with ACI during the time off work so ACI may monitor the employee's return-to-work status. In addition, the employee should contact ACI at when ready to return to work so ACI may determine what positions, if any, are open.

When the employee applies for PFL benefits, the Business Operations Department will determine if the employee has any accrued but unused vacation and personal days available. If the employee has accrued but unused time available, then the employee may choose to use such time.

Employees taking time off work to care for a child, spouse, parent, grandparent, grandchild, sibling, parent-in-law or domestic partner with a serious health condition or to bond with a new child are not guaranteed job reinstatement unless they qualify for such reinstatement under federal or state family and medical leave laws.

Any time off for Paid Family Leave purposes will run concurrently with other leaves of absence, such as Family and Medical Leave/California Family Rights Act Leave, if applicable. Please see the "Family and Medical Leave/California Family Rights Act" policies in this handbook for eligibility requirements, if applicable.

#### **D. Medical, Dental, and Vision Insurance**

All employees classified by ACI as regularly working at least 30 hours per week and their dependents currently are eligible to participate in ACI's medical, dental, and vision insurance plans starting the first day of the month following 30 days of full-time employment. The premium cost for eligible employees will be provided to you separately. You also may contact the Business Operations Department to obtain the current premium schedule.

#### **E. Life Insurance**

All employees classified by ACI as regular full-time employees currently are eligible for group life insurance on the first day of the month following 30 days of full-time employment. The premium cost will be provided to you separately. You also can contact the Business Operations Department to obtain the current premium schedule. You may be taxed on a portion of the value of this coverage under IRS rules.

#### **F. Premium Payments for Employees on Leave**

ACI will pay the employer's portion of premiums for continuation of ACI-sponsored group health plan benefits during the first 30 days of any authorized leave. Thereafter, the employee may only continue coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) and, if applicable, the California Continuation of Benefits Replacement Act (Cal-COBRA) and must pay the full cost of doing so.

If an employee is on an approved CFRA leave, ACI will permit the employee to continue coverage under ACI-sponsored group health plans by paying only the amount charged to similarly situated active employees. If an employee does not return to work at the expiration of an CFRA leave, regardless of whether they continued coverage during the CFRA leave, they normally will be eligible to elect COBRA continuation coverage with respect to ACI-sponsored group health plans, with the COBRA qualifying event normally being the expiration of the leave.

#### **G. Conversion/Post-Employment Insurance Options**

Pursuant to COBRA and Cal-COBRA eligible employees and their dependents may be entitled to continue medical, dental, vision and health flexible spending account coverage after employment with ACI ceases or certain other qualifying events occur. COBRA information is provided separately. In addition, you also can contact the Business Operations Department to obtain COBRA information.

#### **H. Insurance Coverage Information**

Eligibility requirements and further information concerning insurance coverage are fully explained in the applicable plan documents, summary plan descriptions, and any applicable summaries of material modification, available from the Business Operations Department. In all cases, however, the applicable plan document controls over any summary or other

communication for purposes of determining your rights and benefits.

## II. Retirement Program

ACI currently maintains a 401(k) plan that is generally available to all employees upon hire. All contributions to the retirement plan are subject to limitations imposed by the Internal Revenue Code.

For information about the retirement plan, employees should refer to the official plan document, the summary plan description, and any applicable summaries of material modification, available from the Business Operations Department.

## Unions

ACI has always been and wishes to remain a union-free company. There is, however, always a chance in the future that a labor union organizer will try to persuade some of our employees to sign union authorization cards. For this reason, it is important that employees understand ACI's philosophy concerning unions.

It is ACI's belief that remaining union-free has significant advantages for both ACI and the employees. ACI is convinced that the best way to achieve ACI's goals, outperform competitors, and meet difficult challenges is for employees and ACI management to work together directly in a spirit of cooperation and teamwork, rather than through an outside labor union. In this regard, ACI encourages employees to express their job-related concerns directly to management, and all managers are committed to listening to the employees and responding to their needs. ACI also believes that direct participation by employees in ACI, rather than through an outside labor union, fosters a closer working relationship between employees and ACI management, to their mutual benefit.

Additionally, it is ACI's view that there are many drawbacks associated with being represented by a labor union. First, union employees typically must pay union initiation fees, union dues, and union assessments. Second, labor unions frequently establish a structural framework that can hinder teamwork and create antagonistic relationships between employees and management. Third, employees and their families may face financial hardship due to strikes. Finally, employees should not have to play union politics, comply with union rules, and fear union discipline and fines.

For these reasons, ACI believes that the interests of employees and ACI are interrelated and, therefore, best achieved without third party interference. Ultimately, however, employees have the legal right to decide whether or not to join or support a labor union, and ACI will respect each employee's right. And, while ACI strongly believes that labor unions at our workplace are unnecessary, employees who disagree with ACI's philosophy will not be disciplined or subject to other reprisals for joining or supporting a labor union. Similarly, ACI will not discriminate against employees based on their membership or lack of membership in a labor union.

In deciding whether or not to join a labor union, employees should bear in mind that a union authorization card is a legally binding document that grants a union the right to speak on their behalf. Therefore, if you are asked to sign a union authorization card, ACI asks that you say "no."

## ACKNOWLEDGMENT OF RECEIPT OF HANDBOOK

NEW EMPLOYEES: PLEASE READ THE EMPLOYEE HANDBOOK AND FILL OUT AND RETURN THIS PORTION TO THE Business Operations DEPARTMENT WITHIN ONE WEEK OF EMPLOYMENT.

Employee Name: \_\_\_\_\_

I acknowledge that I have received a copy of ACI's Employee Handbook. I understand that I am responsible for reading the Handbook and for knowing and complying with the policies set forth in the Handbook during my employment with ACI.

I further understand, however, that the guidelines contained in the Handbook are guidelines only and are not intended to create any contractual rights or obligations, express or implied, and shall not be construed to create any type of right to a "fair procedure" prior to termination or other disciplinary action. I also understand that, except for ACI's at-will employment policy, ACI may amend, interpret, modify, or withdraw any of the provisions of the Handbook at any time in its sole discretion, with or without notice. Furthermore, I understand that, because ACI cannot anticipate every issue that may arise during my employment, if I have any questions regarding any of ACI's guidelines or procedures, I should consult ACI's Business Operations Department.

I understand and agree that my relationship with ACI is "at-will," which means that my employment is for no definite period and may be terminated by me or by ACI at any time and for any reason, with or without cause or advance notice. I also understand that ACI may demote or discipline me or otherwise alter the terms of my employment at any time at its sole discretion, with or without cause or advance notice.

I understand and agree that the terms of this Acknowledgment may not be modified or superseded except by a written agreement signed by the President of ACI, that no other employee or representative of ACI has the authority to enter into any such agreement, and that any agreement to employ me for any specified period of time or that is otherwise inconsistent with the terms of this Acknowledgment will be unenforceable unless in writing and signed by the President of ACI. I further understand and agree that if the terms of this Acknowledgment are inconsistent with any guideline or practice of ACI now or in the future, the terms of this Acknowledgment shall control.

Finally, I understand and agree that this Acknowledgment contains a full and complete statement of the agreements and understandings that it recites, that no one has made any promises or commitments to me contrary to the foregoing, and that this Acknowledgment supersedes all previous agreements, whether written or oral, express or implied, relating to the subjects covered in this Acknowledgment.

I have carefully read this Acknowledgement of Receipt.

Date: \_\_\_\_\_ Signed: \_\_\_\_\_