

I.K. HOFMANN USA, Inc.

Global Experience. Local Talent.

Employee Handbook
for
External Staff

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ABOUT THIS EMPLOYEE HANDBOOK

As with any job, you want to know what to expect from us and what will be expected from you. You will have questions about your job duties, your benefits and the general operations of I.K. Hofmann USA, Inc. (“I.K. Hofmann” or the “Company”). We have prepared this Employee Handbook (“Handbook”) to provide you with information about working conditions, employee benefits and some of the policies regarding your employment. You should read, understand and comply with all of the provisions of this Handbook and keep a copy for future reference. Remember, this Handbook is only intended to provide a general summary of the policies and benefits of employment with the Company.

NEITHER THIS EMPLOYEE HANDBOOK NOR ANY OTHER COMPANY GUIDELINES, POLICIES, OR PRACTICES CREATES AN EMPLOYMENT CONTRACT, BARGAIN, OR AGREEMENT OR CONFERS ANY CONTRACTUAL RIGHTS WHATSOEVER. EMPLOYMENT AT I.K. HOFMANN IS CONSIDERED “AT-WILL” IN ACCORDANCE WITH ALL APPLICABLE STATE LAWS. THE CONCEPT “AT-WILL” MEANS THAT EITHER THE COMPANY OR THE EMPLOYEE CAN TERMINATE EMPLOYMENT AT ANY TIME, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT NOTICE. IT ALSO MEANS THAT THE JOB DUTIES, TITLE, RESPONSIBILITIES, REPORTING LEVEL, COMPENSATION AND BENEFITS, AS WELL AS THE COMPANY’S PERSONNEL POLICIES AND PROCEDURES, MAY BE CHANGED AT ANY TIME. THE “AT-WILL” NATURE OF AN INDIVIDUAL’S EMPLOYMENT CAN ONLY BE CHANGED INDIVIDUALLY OR COLLECTIVELY BY AN EXPRESS CONTRACT OR WRITTEN AGREEMENT THAT IS SIGNED BY THE CHIEF EXECUTIVE OFFICER.

The Company reserves the right to suspend, modify, rescind or amend any policy in this Employee Handbook or applicable State Supplement, at any time, even without notice – except as otherwise required by law and except for the at-will employment relationship which may only be modified as set forth above. Any oral or written statement or promise to the contrary is expressly disavowed and should not be relied on by prospective or current employees.

This Employee Handbook, together with any applicable State Supplements, supersedes all prior handbooks, Employee Handbooks, manuals, policies, and procedures issued by the Company. Any violation of the policies and/or procedures set forth in this Employee Handbook may result in disciplinary action, up to and including termination. Nothing in this Handbook is intended to result in noncompliance with established laws or regulations. If there is a conflict between this Handbook or state supplement and any federal, state or local law, the law or regulation will govern

If you have a question about a policy in this Employee Handbook or your applicable State Supplement, you should discuss it with your supervisor or Human Resources

ARTICLE 1 – INTRODUCTION

Section 1.1. Welcome. We welcome you to I.K. Hofmann USA, Inc. and are excited by your decision to join our Company. We are committed to providing you with a rewarding, educational and professionally satisfying workplace. We wish you the best during your employment with the Company. Thanks for joining our team!

Section 1.2. About Our Company. I.K. Hofmann USA, Inc. provides staffing and human resource management services to both domestic and international companies. Our services include temporary staffing, temporary to permanent placement, permanent placement, on-site administration, human resource management and workforce management.

Our parent company, I.K. Hofmann GmbH, was founded in Germany in 1985 and today has more than 100 branch offices in Austria, the Czech Republic, Germany, Great Britain, Italy, Slovakia, and the United States. With the strength and stability of one of the largest, privately held and managed staffing agencies in Germany behind us, I.K. Hofmann expanded our global reach to the United States in 2007. The Company upholds the following values while conducting business with our customers, business partners, and employees:

Quality - to provide, and be recognized as a leading supplier of quality, innovative and consultative recruitment and staffing solutions.

Relationships – to demonstrate working practices and relationships that our competitors will wish to emulate.

Optimal Solutions – to listen to our clients and candidates and provide a solution commensurate with the requirement and overall objectives.

Raising the Standard – to raise the profile, professionalism, working practices and standards of the recruitment process and industry.

Promote Development – to promote the development, welfare and long-term prospects and opportunity for all associate staff.

Uphold Promises – to uphold all obligations and promises made to clients for supply of services and staff.

Honesty and Realism – to provide an honest and realistic approach to the continuous development of client requirements and strategies.

ARTICLE 2 – GENERAL EMPLOYMENT POLICIES

Section 2.1. At-Will Employment. The Company’s policy is that employment is “at-will.” As an at-will employee, you are free to resign your employment with the Company at any time, with or without a reason and with or without notice. The Company also has the right to end your employment or assignment at any time, with or without a reason and with or without notice. Although the Company may choose to end your employment for a cause, cause is not required. Further, the Company has the right to manage its work force and direct its employees. This includes the right to hire, transfer, promote, demote, reclassify, lay off, terminate, or change any term or condition of employment at any time, with or without a reason and with or without notice unless otherwise required by law.

No one may enter into an agreement for employment for a specific period of time or make any agreement on an individual or collective basis that is contrary to the policy of at-will employment, except by written agreement signed by the Chief Executive Officer.

Section 2.2. Employment Eligibility. It is the policy of the Company to comply with all federal and state immigration laws, including the Immigration Reform and Control Act of 1986. Accordingly, Company hires and employs only those individuals who are lawfully authorized for employment in the United States.

To comply with federal and state immigration law, the Company must collect certain information and review certain documentation concerning the employment authorization of new employees. This information and documentation will be used only for compliance with applicable law and will not be used for any employment related decisions or for any other unlawful purpose. Failure to provide such information and documentation within the time specified by the Company may result in termination of employment. If your authorization for employment changes or terminates after the start date of your employment, you are required to inform your I.K. Hofmann Supervisor or Human Resources.

Section 2.3. Open-Door Philosophy & Problem-Solving Process. We strongly believe in an open-door, open-communications policy and feel it is an important benefit to us, as well as to our employees. All employees are encouraged to offer their suggestions, ideas for improvement, and voice any concerns about the work environment. We practice an **Open-Door Policy**, which means that all employees have the freedom to discuss anything they wish with the Company. We encourage open, honest, and respectful communication at all times.

If a problem arises, we suggest following the **Problem-Solving Process**.

Step 1: Most problems can be resolved by discussing any concern with your immediate I.K. Hofmann Supervisor/Manager. Very often, your Supervisor/Manager is in the best position to handle your problem satisfactorily. This will generally be the quickest and most efficient way to resolve your concerns.

Step 2: If you are not satisfied after you speak with your immediate I.K. Hofmann Supervisor/Manager, or if you feel that you cannot speak to your immediate I.K. Hofmann Supervisor/Manager, request to speak to your Department/Regional Manager or Human Resources.

If you feel that you cannot follow the steps in this process, you may go directly to Step 2 (to Department/Regional Manager or Human Resources). They are available for assistance in solving your problem at any time. When you inform us of a concern or problem, we will try to answer you as soon as practical under the circumstances. At times it may be necessary to have follow up conversations to reach a solution.

Section 2.4. Equal Employment Opportunity. The Company is an equal opportunity employer. Employment decisions are made without regard to race, religious creed, color, age, sex, pregnancy, sexual orientation, national origin, ancestry, citizenship status, religion, marital status, disability, military service or veteran status, genetic or carrier status, or any other classification protected by applicable federal, state, and local laws and ordinances. Our management is dedicated to ensuring the fulfillment of this policy with respect to hiring, placement, promotion, transfer, demotion, layoff, termination, recruitment, advertising, pay, and other forms of compensation, training, and general treatment during employment.

Any violation of this policy is a serious matter and will result in appropriate disciplinary action, up to and including termination. If an employee believes someone has violated this policy or otherwise has questions regarding this policy, the employee should immediately bring the matter to the attention of their I.K. Hofmann Supervisor/Manager or Human Resources. The Company will promptly investigate the facts and circumstances of any claim this policy has been violated and take appropriate corrective measures when warranted.

No employee will be subject to, and the Company prohibits, any form of discipline or retaliation for reporting perceived violations of this policy, pursuing any such claim, or cooperating in any way in the investigation of such claims.

Section 2.5. No Harassment. The Company maintains a strict anti-harassment policy. Harassment of our job applicants, contractors or employees or our client's employees or contractors by another employee, supervisor, vendor, client, client's employees, or any third party is a violation of this policy and a serious matter. Any form of harassment on the basis of race, religious creed, color, age, sex, pregnancy, sexual orientation, national origin, ancestry, citizenship status, religion, marital status, disability, military service or veteran status, genetic or carrier status, or any other classification protected by applicable federal, state, or local laws and ordinances is prohibited and will be treated as a disciplinary matter. The Company is committed to a workplace free of harassment.

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

Sexual Harassment Defined. Sexual harassment can include all of the above actions, as well as other unwelcome conduct, such as unwelcome or unsolicited sexual advances, requests for sexual favors, conversations regarding sexual activities and other verbal or physical conduct of a sexual nature. Note that conduct that may be welcomed at first may become unwelcomed.

Examples of conduct that violates this policy include:

- unwelcome sexual advances, flirtations, advances, leering, whistling, touching, pinching, assault, blocking normal movement
- requests for sexual favors or demands for sexual favors in exchange for favorable treatment
- obscene or vulgar gestures, posters, or comments
- sexual jokes, questions, or comments about a person's body, sexual prowess, sexual history, sexual preferences or desires, or sexual deficiencies
- propositions, or suggestive or insulting comments of a sexual nature
- derogatory cartoons, posters, and drawings
- sexually-explicit e-mails, text messages, instant messages, voicemails or social media messages or posts
- uninvited touching of a sexual nature
- unwelcome sexually-related comments
- conversation about one's own or someone else's sex life
- conduct or comments consistently targeted at only one gender, even if the content is not sexual
- teasing or other conduct directed toward a person because of the person's gender

All such conduct is unacceptable in the workplace and in any work-related settings such as business trips and business-related social functions, regardless of whether the conduct is engaged in by a supervisor, co-worker, client, customer, vendor, or other third party.

Reporting Procedures. The following steps have been put into place to ensure the work environment at the Company is respectful, professional, and free of harassment. If an employee believes someone has violated this policy, the employee should promptly bring the matter to the immediate attention of their I.K. Hofmann Supervisor/Manager or Human Resources.

We cannot remedy claimed harassment or retaliation unless you bring these claims to the attention of management. Failure to report claims of harassment and/or retaliation prevents us from taking steps to remedy the problem.

Every I.K. Hofmann Supervisor/Manager who learns of any employee's concern about conduct in violation of this policy, whether in a formal complaint or informally, must immediately report the issues raised to Human Resources. *Investigation Procedures.* Upon receiving a complaint, the Company will promptly conduct a fair and thorough investigation into the facts and circumstances of any claim of a violation of this policy or our Equal Employment Opportunity policy. To the extent possible, the Company will endeavor to keep the reporting employee's concerns confidential. However, complete confidentiality may not be possible in all circumstances.

During the investigation, the Company generally will interview the complainant and the accused, conduct further interviews as necessary and review any relevant documents or other information. The Company will also speak with its Client, if applicable. Upon completion of the investigation, the Company will determine whether this policy has been violated based upon its reasonable evaluation of the information gathered during the investigation. The Company will inform the Complainant and the accused of the results of the investigation.

The Company will take corrective measures against any person who it finds to have engaged in conduct in violation of this policy, if the Company determines such measures are necessary. These measures may include, but are not limited to, counseling, suspension, ending an employee's assignment, or immediate termination. Anyone employed by the Company, regardless of position or title, whom the Company determines has engaged in conduct that violates this policy will be subject to discipline, up to and including termination. In addition to being a violation of this policy, harassment, discrimination or retaliation can also be against the law. Employees who engage in conduct that rises to the level of a violation of law can be held personally liable for such conduct.

No Retaliation. No employee will be subject to, and the Company prohibits, any form of discipline or retaliation for reporting perceived violations of this policy, pursuing any such claim, or cooperating in any way in the investigation of such claims. If an employee believes someone has violated this no-retaliation policy, the employee should bring the matter to the immediate attention of their I.K. Hofmann Supervisor/Manager or Human Resources. Anyone who works for the Company, regardless of position or title, whom the Company determines has engaged in conduct that violates this policy against retaliation will be subject to discipline, up to and including termination.

Training Requirements: I.K. Hofmann abide by all laws and regulations regarding sexual harassment training. Although the Company reserves the right to conduct training for all its employees, employees in certain positions and/or located in certain states will be required to take assigned sexual harassment training. Failure to satisfactorily complete these training may result in disciplinary action up to and including termination of employment.

Section 2.6. Individuals with Disabilities. It is the Company's policy not to discriminate against any qualified employee or applicant with regard to any terms or conditions of employment because of such individual's disability or perceived disability so long as the employee can perform the essential functions of his or her job with or without a reasonable accommodation.

Consistent with this policy of nondiscrimination, the Company will provide reasonable accommodations to a qualified individual with a disability who has made the Company aware of his or her disability and requested such accommodation, provided that such accommodation does

not constitute an undue hardship on the Company or pose a direct threat of substantial harm to the employee or others.

Requests for reasonable accommodation should be made to your I.K. Hofmann Supervisor/Manager or Human Resources in person, in writing, by phone, or via other electronic means. Upon receipt of a request for reasonable accommodation, Company management will meet with the requesting individual to discuss and identify the employee's limitations and the potential reasonable accommodation that the Company might make to help overcome those limitations and enable the employee to perform the essential functions of the job. The Company will determine the feasibility of the requested accommodation based on the essential functions of the job and whether the accommodation will create an undue hardship to the Company's operation. Since employees work at client sites, the Company may also consult its client regarding certain accommodation requests.

Section 2.7. Religious Accommodation. The Company recognizes and supports its obligation to endeavor to reasonably accommodate job applicants and employees with sincere religious beliefs or practices who are able to perform the essential functions of the position, with or without reasonable accommodation. The Company will endeavor to provide reasonable accommodation to otherwise qualified job applicants and employees, unless doing so would impose an undue hardship on the Company. An applicant or employee who believes he or she needs a reasonable accommodation of a sincere religious belief or practice should discuss the need for a possible accommodation with his or her direct I.K. Hofmann Supervisor/Manager or Human Resources.

ARTICLE 3 – EMPLOYEE STATUS, PAY PRACTICES AND PROCEDURES

Section 3.1. Employee Status. Employees may work on a full-time or part-time basis and may be active or inactive as these terms are defined below, depending on the circumstances of their employment.

- Regular Full-time employees are employee who are normally scheduled to work thirty (30) or more hours each week.
- Regular Part-time employees are employees who are normally scheduled to work fewer than thirty (30) hours each week on a consistent basis.
- Active Status indicates that an employee is actively working. Active status is required for certain benefits eligibility.
- Inactive Status indicates that an employee is not actively working, including FMLA and other leaves of absences. While inactive, employees will be ineligible for certain company benefits, unless otherwise required by applicable law.

Section 3.2. Time Keeping Procedure. It is important that accurate records of your hours are kept so your paycheck will be correct. For this reason, all hourly employees are required to accurately record their time each workday on the approved tracking system. If you do not know or understand how to record your time worked, you must ask your I.K. Hofmann Supervisor/Manager. All time worked must be recorded. Your time record must accurately reflect all regular and overtime hours worked, any absences, late arrivals, early departures, and meal breaks. If your paycheck does not accurately reflect your hours worked, you must notify your I.K. Hofmann supervisor/manager immediately. The Company will investigate all such complaints and reimburse employees if an error was made.

Employees are prohibited from performing any “off-the-clock” work. “Off-the-clock” work means work that you perform but fail to record. Any employee who fails to record or inaccurately records any hours worked will be subject to disciplinary action, up to and including discharge. Because working off the clock is prohibited, if a Company’s client requests or otherwise requires you to work “off the clock,” you must notify the Company’s immediate I.K. Hofmann Supervisor/Manager immediately.

It is a violation of Company policy for any employee to falsify or alter his or her or another employee’s time. Likewise, an employee may not record time on another employee’s time record. It is also a serious violation of company policy for any employee or manager to instruct another employee to incorrectly or falsely report hours. If any manager or employee (regardless whether the individual is employed by the Company or a Company’s client) instructs you to: (1) work off the clock and/or incorrectly or falsely under- or over-report your hours worked; or (2) alter another employee’s time records to inaccurately or falsely report that employee’s hours worked, you should report it immediately to your I.K. Hofmann Supervisor/Manager. Employees will not be retaliated against for doing so.

Hourly employees should not start work prior to their scheduled starting time nor continue to work after their scheduled stop time without express, prior authorization from their I.K. Hofmann Supervisor/Manager.

Timesheets (electronic or written) must be submitted to I.K. Hofmann every week by Monday at 10:30 a.m. EST. The timesheet must be signed or approved by I.K. Hofmann Supervisor and employee. Failure to do so may delay the delivery of your paycheck.

Violation of these policies may result in disciplinary action up to and including termination of employment.

Section 3.3. Overtime. The nature of our clients' business sometimes requires employees to work overtime. Your I.K. Hofmann Supervisor/Manager will notify you when you are required to work overtime. We expect and appreciate your cooperation. We will try to provide you with advance notice of any overtime that will be required of you, but that may not always be possible. Your cooperation is both expected and appreciated.

Hourly employees who work more than 40 hours in one (1) work week will be paid at one and one-half times (1½) their regular rate of pay, unless otherwise required by applicable state law. For the purpose of calculating overtime, the "pay week" or "work week" is defined as from Sunday at 12:01am to Saturday 12:00 midnight, unless otherwise defined by the client. Your work schedule and work week will be discussed with you during the onboarding process. Please remember you are not allowed to work overtime unless it has been authorized in advance by your supervisor. Working overtime without proper authorization may result in disciplinary action up to and including termination of employment.

For the purpose of overtime calculation, holiday, paid time off, vacation, or sick pay do not count toward the number of hours worked.

The Company does not allow the accrual or use of Compensatory Time.

Section 3.4. Normal Business Hours. As a staffing and employment agency, we work with many different companies that represent a variety of industries. Each client may have different normal business hours and need assistance at various times throughout the day. Your work hours will be explained and provided to you at the start of your assignment. You will be given an opportunity to accept or decline each assignment for any reason prior to the start of each assignment.

Section 3.5. Pay. Pay checks are typically distributed weekly via pay cards, direct deposit or a live check. Your I.K. Hofmann Supervisor/Manager can advise you at the start of each assignments as to when you can expect to receive your pay.

Section 3.6. Payroll Deductions. The Company may make deductions from your pay for many different reasons. For example, we are required by law to deduct certain amounts of taxes, social security, garnishments, child support, and etc.... Likewise, an employee may authorize the Company to make deductions for benefit premiums, retirement plan, loan repayment, or monies owed to the Company.

If you damage or take any property from I.K. Hofmann USA, Inc. or its client sites, the cost of the property of damage will be deducted from your paycheck, to the extent permitted by applicable federal, state and local law. Should the damages not be covered by the earned wages, you will be held responsible for full payment of all damages or missing property.

If you believe that a deduction was made in error, promptly notify your immediate supervisor/manager or Human Resources. The Company will promptly investigate. We will not penalize an employee for reporting a suspected error and proper correction will be made.

Section 3.7. Safe Harbor Policy for Exempt Employees. It is our policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure you are paid properly and no improper deductions are made, you must review your pay stubs promptly to identify and to report all errors.

If you believe a mistake has occurred or if you have any questions, please use the reporting procedure outlined below.

As an exempt salaried employee, you receive a salary which is intended to compensate you for all hours you work for the Company. This salary will be established at the time of hire or when you become 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 you perform.

Under federal and state law, your salary is subject to certain deductions. For example, absent contrary state law requirements, your salary can be reduced for the following reasons:

- Full-day absences for personal reasons.
- Full-day absences for sickness or disability, if you have exhausted the paid sick leave available to you.
- Intermittent absences, including partial-day absences, covered by the federal Family and Medical Leave Act, if you have exhausted other paid leave available to you.
- Full day disciplinary suspensions for infractions of our written policies and procedures.
- 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 you work less than a full week.
- Any workweek in which you perform no work for the Company.

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

In any workweek in which you performed any work, your salary will not be reduced for any of the following reasons:

- Partial-day absences for personal reasons, sickness or disability.
- Your 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 you have performed any work.
- Any other deductions prohibited by state or federal law.

If you believe you have been subject to any improper deductions, you should immediately report the matter to your supervisor. If the supervisor is unavailable or if you believe it would be inappropriate to contact that person (or if you have not received a prompt and fully acceptable reply), you should immediately contact Human Resources.

Every report will be fully investigated, and employees shall be reimbursed if any improper deductions were taken. In addition, corrective action will be taken where appropriate, up to and including termination for any employee(s) who violates this policy. In addition, the Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Company's 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.

ARTICLE 4 – BENEFITS & LEAVES OF ABSENCE

The Company offers a number of benefits to its eligible employees. This Handbook briefly describes some of those benefits. The descriptions of the insurance benefits merely highlight certain aspects of the Company's plans for your general information only. The provisions of the plans, including eligibility and benefits provisions, are summarized in the summary plan descriptions ("SPDs") (which may be revised from time to time) for the plans. Additionally, the official plan documents are available for your review upon your request from management. In the determination of benefits or other matters under each plan, the terms of the official plan documents shall govern over the language of any descriptions of the plans, including the SPDs.

Further, the Company (including the officers and administrators who are responsible for administering the plans) retains full discretionary authority to interpret the terms of the plans, as well as full discretionary authority with regard to administrative matters arising in connection with the plans and all issues concerning benefit eligibility and entitlement. While the Company hopes to maintain these employee benefits, it reserves the absolute right to modify, amend or terminate these benefits at any time and for any reason to the extent permitted by applicable law.

Employees are solely eligible for benefit plans that may be offered by I.K. Hofmann USA Inc. Employees are not eligible for or entitled to participate in or make any claim upon any benefit plan, policy, or practice offered by client, its parents, affiliates, subsidiaries, or successors to any of their direct employees, regardless of the length of the employee's assignment to client.

Section 4.1. Holidays. Due to the nature of our business, Holidays are paid and observed based on the client's schedule and the Company's contractual agreement with the client. You will be advised of client specific observed paid holidays when you begin your assignment. You may be required to work on holidays that the client do not observe. Holidays paid, but not worked, do not count towards determining overtime eligibility.

Section 4.2. Paid Time Off or Vacation Policy. I.K. Hofmann do not have a standard paid time off or vacation policy for all temporary employees. Depending on the client you service, you may be eligible for different types of time off policies or program. You will be given client specific information regarding time off at the beginning of your assignment.

The following general guidelines apply to any time off requests regardless if they are paid or unpaid:

- All employees must make requests and record absences through the Company's timekeeping system or manual timesheet.
- For foreseeable requests such as vacation or planned personal appointments, please make the time off request at least two weeks ahead.
- For unforeseeable requests such as sick days, please make the request at least 1 hour before the start of the schedule work day. For emergencies, as soon as feasible.
- Approval for time off requests will be based on operational and business needs. Should operational or business needs of the Company or a client not allow for approval of the

requested time, the Company may request the employee to schedule their time off for dates other than the ones requested.

- Generally, the Company will not grant 2+ weeks of consecutive time off, unless the request is due to an extenuating circumstance. Management will give all due considerations and work with employees on these types of requests.

Section 4.3. Sick Leave Policy. Unless otherwise required by law, I.K. Hofmann does not have a standard sick leave policy for all temporary employees. Depending on the client you service, or the jurisdiction in which you work, you may be eligible for sick leave accrual. You will be given client specific information regarding sick leave at the beginning of your assignment.

Section 4.4. Lactation Breaks. The Company makes reasonable efforts to provide break time to employees who are nursing in order to express breast milk. The break time, if possible, must run concurrently with rest and meal periods already provided to the employee. If the break time cannot run concurrently with rest and meal periods already provided to the employee, the break time will be unpaid. In order for the Company to provide breaks and a private location for lactation breaks, please inform your I.K. Hofmann Supervisor/Manager of your desire to take such breaks. Because I.K. Hofmann employees work at our clients' facilities, we will consult with our client to see if a room is, or can be made, available for such use. Employees who are nursing may take advantage of this break time policy for the greater of applicable state or local law or one year after the birth of the employee's child.

Section 4.5. Military Leave. It is the policy of the Company to comply with all applicable laws regarding military leaves of absence for eligible employees. If an employee is called to active duty or to Reserve or National Guard training, the employee should provide a copy of the employee's orders to I.K. Hofmann Supervisor/Manager or Human Resources Department as soon as possible. Upon completion of military duty, eligible employees will be reemployed by the Company in accordance with applicable federal, state, and local law.

Section 4.6. Workers Compensation. The Company maintains workers' compensation insurance as required by law. This insurance provides for the payment of medical expenses and weekly compensation payments during the period of an employee's work-related injury or illness.

Employees are required to report promptly all job-related injuries and accidents to their immediate I.K. Hofmann Supervisor/Manager, no matter how minor the injury may be. Failure to report promptly any injury or illness may result in loss or delay of benefits. Where medical care is required for on-the-job injuries, employees may initially go to one of the designated medical facilities listed on our bulletin boards. Workers' Compensation is solely a monetary benefit and not a leave of absence

Section 4.7. Jury Duty. The Company encourages employees to fulfill their civic responsibilities by serving jury duty when required. The Company shall comply with applicable state law pertaining to jury duty. Employees must show the jury duty summons to their I.K. Hofmann Supervisor/Manager as soon as possible in advance of their scheduled shift so that the supervisor may make arrangements to accommodate their absence. Employees should keep their I.K. Hofmann Supervisor/Manager informed of the expected length of jury duty service and are expected to report for work whenever the court schedule permits.

Section 4.8. Voting. The Company shall comply with applicable state law pertaining to time off for voting. Employees must provide reasonable advanced notice to their I.K. Hofmann Supervisor/Manager of their intent to take voting time off.

Section 4.9. Health Insurance. The Company provides health insurance to eligible employees in accordance with applicable federal law. Additional information about the health insurance plan will be given to you during the new hire onboarding process. You will have the opportunity to elect or decline coverage.

Section 4.10. Retirement Plan – 401(k). The company offers a voluntary pretax or post-tax salary reduction plan in which regular full-time and regular part-time employees. To be eligible, an employee must be 21 years of age or older, must have worked for the Company at least 90 days, and with 250+ hours of service. Eligible employees will receive plan eligibility and enrollment information via mail. Further details about the Plan may also be obtained from the Human Resource department.

Section 4.11. FMLA Leave (Family and Medical Leave). The FMLA requires covered employers to provide up to 12 weeks (or up to 26 weeks of military caregiver leave to care for a covered service member with a serious injury or illness) of unpaid family and medical leave to eligible employees. The 12-month period is determined by a “rolling” 12 month period measured backwards from when an employee first used FMLA leave.

To qualify to take family or medical leave under this policy, the employee must meet all of the following conditions: The employee must work at a location that has at least 50 employees within a 75 mile-radius, have worked for the company for 12 months, and must have worked at least 1,250 hours during the 12-month period immediately before the date when the leave is requested to commence.

The employee must be taking leave for one of the reasons listed below:

1. The birth of a child and in order to care for that child.
2. The placement of a child for adoption or foster care and to care for the newly placed child.
3. To care for a spouse, child or parent with a serious health condition.
4. The serious health condition of the employee.
5. Because of any qualifying exigency arising out of the fact that an employee’s spouse, son, daughter or parent is a military member on covered active duty or call to covered active duty status (or has been notified of an impending call or order to covered active duty) in the Reserve component of the Armed Forces for deployment to a foreign country in support of a contingency operation or Regular Armed Forces for deployment to a foreign country.

If a husband and wife both work for the Company and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (but not a parent “in-law”) with a serious health condition, the husband and wife may only take a combined total of 12 weeks of leave. If a husband and wife both work for the company and each wishes to take leave to care for a covered injured or ill service member, the husband and wife may only take a combined total of 26 weeks of leave.

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

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

Additional Military Family Leave Entitlement (Injured Servicemember Leave).

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

A “**covered servicemember**” is a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is on the temporary retired list, for a serious injury or illness. These individuals are referred to in this policy as “current members of the Armed Forces.” Covered servicemembers also includes a veteran who is discharged or released from military service under condition other than dishonorable at any time during the five (5) year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. These individuals are referred to in this policy as “covered veterans.”

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

Intermittent Leave and Reduced Leave Schedules

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

Protection of Group Health Insurance Benefits

During FMLA leave, eligible employees are entitled to receive group health plan coverage on the same terms and conditions as if they had continued to work. Employees who are paying for health insurance coverage are expected to make arrangements with Human Resources as to how the portion(s) of health care premiums which are paid by the employee are to be made.

Unless the Company notifies employees of other arrangements, whenever employees are receiving pay from the Company during FMLA leave, the Company will deduct the employee portion of the group health plan premium from the employee's pay check in the same manner as if the employee was actively working. If FMLA leave is unpaid, employees must make arrangements to pay their portion of the group health premium with the Company.

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

Restoration of Employment and Benefits

At the end of FMLA leave, subject to some exceptions including situations where job restoration of "key employees" will cause the Company substantial and grievous economic injury, employees generally have a right to return to the same or equivalent positions with equivalent pay, benefits and other employment terms. The Company will notify employees if they qualify as "key employees", if it intends to deny reinstatement, and of their rights in such instances. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee's FMLA leave. It is understood that we are a 'temporary' staffing company and available positions are not under our control. We will do whatever possible to accommodate the employee and work to ensure an equivalent position is found.

Notice of Eligibility for, and Designation of, FMLA Leave

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

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

Employee FMLA Leave Obligations

1. Provide Notice of the Need for Leave

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

2. Content of Employee Notice

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

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

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

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

3. Timing of Employee Notice

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days' notice is not possible, or the approximate

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

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

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

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

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

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

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

It is the employee's responsibility to provide the Company with timely, complete and sufficient medical certifications. Whenever the Company requests employees to provide FMLA medical certifications, employees must provide the requested certifications within 15 calendar days after the Company's request, unless it is not

practicable to do so despite an employee's diligent, good faith efforts. The Company will inform employees if submitted medical certifications are incomplete or insufficient and provide employees at least seven calendar days to cure deficiencies. The Company will deny FMLA leave to employees who fail to timely cure deficiencies or otherwise fail to timely submit requested medical certifications.

With the employee's permission, the Company (through individuals other than an employee's direct supervisor) may contact the employee's health care provider to authenticate or clarify completed and sufficient medical certifications. If employees choose not to provide the Company with authorization allowing it to clarify or authenticate certifications with health care providers, the Company may deny FMLA leave if certifications are unclear.

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

a. Initial Medical Certifications

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

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

b. Medical Recertifications

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

c. Return to Work/Fitness for Duty Medical Certifications

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

job restoration until employees provide return to work/fitness for duty certifications.

6. Submit Certifications Supporting Need for Military Family Leave

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

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

7. Paid/Unpaid FMLA Leave

Any accrued but unused PTO time shall run concurrently with FMLA leave. Likewise, leaves of absence taken in connection with a disability leave plan or workers' compensation injury/illness shall run concurrently with any FMLA leave entitlement. All leave following the exhaustion of PTO and not covered by a disability plan or workers' compensation shall be unpaid.

8. Report Periodically Concerning Intent to Return to Work

Employees must contact the Company at least once every four weeks regarding their status and intention to return to work at the end of the FMLA leave period. If an employee's anticipated return to work date changes and it becomes necessary for the employee to take more or less leave than originally anticipated, the employee must provide the Company with reasonable notice (i.e., within 2 business days) of the employee's changed circumstances and new return to work date. If employees give the Company unequivocal notice of their intent not to return to work, the Company's obligation to maintain health benefits (subject to COBRA requirements) and to restore their positions cease.

Coordination of FMLA Leave with Other Leave Policies

The FMLA does not affect any federal, state or local law prohibiting discrimination, or supersede any State or local law which provides greater family or medical leave rights. For additional information concerning leave entitlements and obligations that might arise when FMLA leave is

either not available or exhausted, please consult the Company's other leave policies in this Handbook or contact your I.K. Hofmann Supervisor/Manager or Human Resources.

Questions and/or Complaints about FMLA Leave

If you have questions regarding this FMLA policy, please contact your I.K. Hofmann Supervisor/Manager or Human Resources. The Company is committed to complying with the FMLA and, whenever necessary, shall interpret and apply this policy in a manner consistent with the FMLA.

ARTICLE 5 – WORKPLACE RULES

Section 5.1. Employee Conduct. The Company’s reputation and success are determined by the customer service we provide and by the employees who represent us. Regardless of whether you are interacting with clients, fellow employees, or the public in general, the manner in which you conduct yourself should reflect upon the standards of professionalism, quality, and service embraced by the Company. Although there is no way to identify every possible violation of standards of conduct, the following conduct is considered serious and may result in ending your assignment and/or disciplinary action, up to and including termination. It is not intended to be comprehensive and does not alter the at-will relationship between the employee and the Company.

- No call, no show.
- Excessive tardiness and/or absenteeism.
- Carrying weapons or explosives (including firearms) or violating criminal law on the Company’s or a client’s premises, unless otherwise protected by applicable law.
- Engaging in or provoking any act of violence or damaging Company or a client’s property or the property of another.
- Sleeping on the job.
- Damage to or dangerous use of Company or client property or the property of others.
- Unsatisfactory work performance or failure to meet the requirements of the position.
- Failure to maintain the confidentiality of information of the Company or a client.
- Failure to maintain professionalism in interactions with clients, co-workers, and all stakeholders.
- Theft or unlawful possession of stolen, lost or mislaid property of the Company or a client.
- Violating the Company’s drug and alcohol policy.
- Conduct violating the Company’s No Harassment or Equal Employment Opportunity policies.
- Failure to maintain excellent customer service.
- Making personal telephone calls, text messages, instant messages, or social media during working time.
- Intentional or reckless falsification of Company records.
- Conviction of a crime.
- Violation of any policy or procedure contained in this Handbook or a client’s policies.

This list is not exhaustive. The Company may discipline, end an employee’s assignment, and/or terminate an employee’s employment as a result of conduct not on this list. Moreover, all employees are at-will employees, and as such, this policy does not limit the Company’s right to discharge an employee at any time, with or without notice or cause. Pursuant to the Company’s at-will employment policy, the Company reserves the right to impose whatever form of discipline it chooses, or none at all, in a particular instance.

Section 5.2. Discipline. The Company recognizes that most employees take responsibility for ensuring that their own behavior complies with the Company’s standards. Unfortunately, it may become necessary for the Company to take disciplinary action when an employee fails to meet the Company’s standards or expectations. The Company has sole discretion to determine whether circumstances warrant disciplinary action and, if so, what type of discipline is warranted.

Examples of possible disciplinary action include, but are not limited to: oral warnings, written warnings, suspension, ending an employee's assignment, and termination of employment. The Company is not limited to the actions previously described and may apply any of those actions it deems appropriate, or any other disciplinary actions, at any time, with or without notice. Nothing in this policy alters the "at will" nature of employment. Nothing in this Handbook should be construed as a promise of specific treatment in a given situation.

Section 5.3. Punctuality and Attendance. Our clients rely on the Company to provide qualified employees to assist them at their worksites as needed. This is the entire reason our clients hire us. As such, regular and consistent attendance of employees is absolutely critical to the success of the Company and your success as an employee of the Company and is an essential function of your job. Employees are expected to maintain satisfactory attendance and report to work on time every day as an essential function of their job. Unscheduled absences, late arrivals, and early departures should be kept to a minimum. If you know that you are going to be late, you must notify your I.K. Hofmann supervisor and client supervisor if required by client. If a situation arises which makes it impossible for you to report to work, you must make every effort to contact your supervisor at least one (1) hour prior to your starting time, unless otherwise required by the client. Except as otherwise protected by law, unscheduled or unexcused absences, including late arrivals and early departures, may result in disciplinary action up to and including termination of employment. As a general rule, an employee who is absent for three (3) consecutive working days without notification may be deemed to have resigned voluntarily. Refer to client specific attendance policy for more detail guidelines and expectations.

Section 5.4. About Your Assignment and Responsibilities. Once you are employed and accept a job assignment, it is extremely important to fully complete the requirements and length of the assignment. Generally, associates who fail to finish assignments will be assumed to have voluntarily quit and may be subsequently ineligible for rehire. Additionally, during the assignment, it is critical to carefully follow call-out guidelines as outlined. Associates deemed to have voluntarily resigned because of not finishing assignments or not following call-out procedures will be removed from the Company's employment availability pool immediately. Placement on future job assignments will be dependent upon successful re-application and re-hire, and re-hire is not guaranteed.

When the Assignment ends, I.K. Hofmann may attempt to place you on another suitable job. Successful completion of an assignment does not in any way guarantee that you will be placed on another assignment. Every week that you are not actively working on assignment, and if you wish to be considered for future assignments, you **MUST call your I.K. Hofmann office to notify of your availability**. You should call your local I.K. Hofmann office each and every day you are looking for work. Failure to call in will signify that you are NOT AVAILABLE for work and directly impacts eligibility for assignments as well as unemployment benefits, where applicable.

Please note that all assignments are at the request of external clients and are subject to change in scope, length or type. I.K Hofmann cannot guarantee employment or type of work for any period of time.

Section 5.5. Personal Appearance Policy. Prior to any assignment you will be advised as to the proper dress protocol for the particular client. The Company may require position-specific grooming guidelines to be followed for clients with special dress code (hard hats, steel-toed boots/shoes, safety glasses, and etc...). Regardless of the nature of the position, employees are expected to wear clean clothes, be free of odors and rips/tears, and wear attire that is in good taste for the workplace. Further images, pictures and other graphics on clothing must not be obscene, lewd, threatening, or otherwise violate the Company's anti-harassment policy.

Employees are expected to observe our Personal Appearance Policy at all times while at work. If a Company or client manager feels you are dressed inappropriately, you may be asked to leave and return appropriately attired. Such time away from work will be without pay for non-exempt employees.

For any positions that require uniforms to be assigned, upon separation from the company, employees should return all uniforms to the I.K. Hofmann Supervisor/Manager. Failure to return assigned uniforms will result in a deduction from your final wages, to the extent permitted by applicable law.

Employees who violate this policy may be subject to disciplinary action, up to and including termination. If you would like to request an exception to this policy as an accommodation for a disability or on the grounds of your religious beliefs or practices, please contact the I.K. Hofmann Supervisor/Manager.

Section 5.6. Relationship with Other Employees and Clients. Dating and other romantic or sexual relationships between direct reports may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried over into day-to-day working relationships. For purposes of this policy, a dating relationship is defined as a relationship that may be reasonably expected to lead to the formation of a consensual "romantic" or sexual relationship. This policy applies to all employees regardless of their gender or sexual orientation.

Employees should not get involved in a dating relationship with another employee who is directly or indirectly within the same chain of reporting relationship, with clients, prospective clients, or external employees. Any employee who becomes involved in a personal relationship that is a potential violation of this policy must immediately bring it to their manager or the attention of Human Resources.

The Company reserves the right to make such employment decisions as are necessary to ensure that the risks enumerated above attendant to the relationship will not occur. Such steps include, but are not limited to, adjusting lines of reporting or communication, requiring the parties to acknowledge in writing the voluntariness of any such relationship; and/or transfer of one or both parties to the relationship, ending one or both parties' assignment, termination of one or both parties to the relationship.

Any violation of this policy which is discovered by the Company, but has not been voluntarily reported by the employee(s) involved, will be handled as a more serious situation and will result in disciplinary action, up to and including termination.

Section 5.7. Employment of Relatives. The employment of relatives may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried into day-to-day working relationships. A “Relative” of an employee is defined as any person who is related closely by blood or marriage or whose relationship with the employee is similar to that of persons who are related by blood or marriage, such as spouse, son, daughter, mother, father, brother, sister, grandparents or grandchildren, step-parent or step-children, step-sister, step-brother, in-laws, aunt, uncle, nephew, niece, first cousin, domestic partner, or any other relationship that would present a conflict of interest as determined by the Company.

The Company will not hire “Relatives” in a manager-subordinate relationship and will not encourage “Relatives” to work together in positions where one “Relative” can influence the other’s employment through decisions, recommendations or judgments related to such matters as the day to day operations, work allocation, performance appraisals, compensation, etc. “Relatives” are not permitted to work in the same reporting relationship or under the same manager.

If a current employee refers or has knowledge that a Relative applies for a position at I.K. Hofmann, the employee should make the **Human Resources Department** aware of the relationship. The Company will then consider each individual situation to determine the hiring decision.

Section 5.8. Moonlighting. The Company does not strictly prohibit all outside employment; however, positions with the Company require an employee’s full effort and attention. Accordingly, employees may obtain outside employment provided that it does not: (A) compromise an employee’s ability to perform his/her job effectively for the Company and its clients; (B) interfere with the employee’s ability to work his/her scheduled shift and perform any necessary overtime or travel assignments; (C) create an actual or apparent conflict of interest, such as employment with a competing business of the Company or for a client; or (D) compromise proprietary business information or cause any other adverse consequence to business operations. The Company may ask the employee to resign the outside employment or deny continued employment with the Company if the result is undesirable to the Company. Under no circumstances can outside employment involve use of the Company’s or a client’s time, resources, relationships, facilities, proprietary business information, or equipment.

Section 5.9. No Solicitation/No Distribution. We believe employees should not be disturbed or disrupted in the performance of their job duties. For this reason, solicitation of any kind by one employee of another employee is prohibited while either person is on working time. Working time includes the time during which any of the employees involved are actually scheduled to work, but does not include scheduled rest periods, meal breaks and other specified times when employees are not expected to be working.

Distribution of advertising material, handbills, or printed or written literature of any kind in working areas of the Company is prohibited at all times.

Employees should also comply with the applicable client’s solicitation and distribution policies.

Section 5.10. Background Check Policy and Procedure. I.K. Hofmann USA, Inc. is committed to providing a safe and secure working environment for its employees, vendors and customers. The Company's selection process includes background checks on all candidates offered positions of employment. The Company also will conduct a background check on any current employee who is offered a promotion or transfer in the Company's discretion and as deemed necessary. The Company also may conduct a background check on any current employee as to whom the Company otherwise has reasonable cause to believe that a background check is warranted, or any such additional background checks are required by law.

Background checks will be conducted by a reputable third-party consumer reporting agency. All background checks will be conducted in compliance with federal, state, and local laws. Information obtained through a background check will be kept separate from the regular personnel file and will be maintained in strict confidence, consistent with the terms and purpose of this policy.

Depending on the need of the position, background checks may include, but are not limited to the following:

- Criminal Records & Sex Offender Registry
- Verification of Social Security Number
- Verification of Employment Records
- Verification of Educational Records
- Personal and Professional References
- Motor Vehicle Records
- Credit History

Procedure

- The designated Company representative(s) will initiate background checks at the time a contingent employment offer is made to an applicant. No offer of employment is binding until completion of a background check.
- The candidate or employee will be asked to complete and sign a release authorizing for the Company and/or third-party vendor to conduct the background check. If the individual fails to sign the release, any offer for employment, promotion or transfer may be rescinded, and any current employment with the Company may be terminated.
- Background check reports will be obtained and reviewed by designated Company representative(s), who may review the information with the appropriate hiring manager(s), decision makers(s), or others with a need to know.
- In instances where negative or incomplete information is obtained, the appropriate management team member(s) and/or Human Resources will assess the potential risks and liabilities related to the job's requirements and determine whether the individual should be hired, promoted, or transfer.

- If an individual is to be denied employment, promotion or transfer wholly or partly because of information obtained in a background check, the individual will be informed in advance of any adverse action as required by Fair Credit Reporting Act (FCRA).
- In addition, where required by law and to the extent applicable, the individual will be given (a) a copy of the relevant background check report, (b) a summary of the individual's legal rights concerning the background check report, and (c) the name, address and phone number of the third-party vendor if the individual has questions about the results of the report or wants to dispute the accuracy of the report. *Note, however, that the vendor does not make employment decisions and will unable to provide any individual with specific reasons as to why the adverse action was taken.*

For questions concerning this policy and procedure, please contact your recruiter or the Human Resources Department.

Section 5.11. Drug Free Workplace. I.K. Hofmann considers drug and alcohol abuse a serious matter that will not be tolerated. The Company prohibits employees from using, selling, manufacturing, distributing, possessing, or being under the influence of illegal drugs, alcohol, or a controlled substance or prescription drug not medically authorized while at their job, on Company property, or while on work time.

Therefore, it is the Company's policy that:

1. You may not report to work under the influence of alcohol, illegal drugs, or any controlled substance or prescription drug not medically authorized.
2. You may not possess, distribute, manufacture or use alcohol, illegal drugs, or any controlled substance or prescription drug not medically authorized while on company property or on company business.

Although some states have legalized marijuana for medicinal and/or recreational purposes, we are not required to allow the use or possession of marijuana in the workplace, unless otherwise required by applicable law. Unless such policy would violate applicable state or local law, the Company strictly prohibits the use of marijuana on Company or client's property, and violation of this policy may result in discipline, up to and including immediate discharge. Additionally, unless otherwise required by applicable state or local law, the Company will not allow the use or possession of recreational marijuana as an accommodation.

You must have a valid prescription for any prescription medication used while working for the Company. Prescription and over-the-counter drugs are not prohibited when taken in standard dosage and/or according to a licensed medical provider's prescription so long as such use does not interfere with a safety-sensitive employee's ability to perform the essential functions of his/her job and does not pose a direct threat to the safety of the Company, any employee, or any patient. Any safety-sensitive employee taking prescribed or over-the-counter medications will be responsible for consulting the prescribing medical provider and/or pharmacist to ascertain whether the

medication may interfere with the performance of his/her job. Inform your manager prior to working under the influence of a prescribed or over-the-counter medication that may affect your ability to perform your job safely. The Company will evaluate and respond to this information on a case-by-case basis. Responses may include, among other things, temporary job reassignment or modifications, a request for additional medical documentation and consultation, and/or an instruction that the employee not work until the restriction is removed. Any employee reporting to work in a safety-sensitive position without first advising the Company about warnings accompanying lawfully prescribed or obtained medications will be subject to disciplinary action up to and including possible termination of employment. Safety-sensitive employees are those in which impairment by drugs or alcohol could threaten the health or safety of the employee or others. An employee's lack of knowledge concerning such warnings will not excuse a violation of this rule where an employee has failed to make the inquiries required by this rule. Failure to comply with these guidelines concerning prescription or over-the-counter medication may result in disciplinary action, up to and including termination of employment.

Alcohol shall not be served to employees on Company property unless approved in advance by HR or a member of senior management. On occasion, the Company or a client may sponsor, host or participate in social functions or outings at which alcoholic beverages are served to employees. Company functions or outings includes, but is not limited to, annual galas, regional meetings, business functions and/or dinners with clients/vendors, recognition events, and holiday parties.

At Company or client functions and outings in which alcoholic beverages are served, employees are expected to use good judgment with respect to the consumption of alcoholic beverages and to drink responsibly and in moderation. Employees who are 21 years of age or older may drink alcoholic beverages, but doing so is entirely voluntary and not required. Unprofessional and irresponsible consumption of alcohol, such as excessive drinking, shots, binge drinking, shotgunning, body shots, and similar conduct is not permitted during work-related functions or outings. Intoxication and driving while impaired are strictly prohibited. In addition, alcohol may not be served to minors or to anyone who appears to be impaired. Safe passage home shall be arranged for anyone who appears to be impaired. Employees must comply with any regulations and/or requests of the Company, or any caterers, waiters, waitresses or bartenders, or event staff in connection with my consumption of alcoholic beverages at the holiday party.

Drug and Alcohol Testing Policy

The Company is committed to providing a safe, efficient and productive work environment for all employees. In keeping with this commitment, employees and job applicants may be asked to submit to drug and/or alcohol testing. The Company will attempt to protect the confidentiality of all drug test results and will keep such results in a separate file other than the employee's personnel file. However, the Company may need to share information about the drug test results with managers on a need to know basis only, or as part of a legal proceeding, or otherwise required by applicable law. To the extent permitted by applicable law, drug and/or alcohol tests may be conducted in any of the following situations:

- **Post-Accident**: Any current employee who is involved in a work-related accident may be tested for drugs or alcohol to the extent there is a reasonable possibility that drugs or alcohol

could have caused or contributed to the accident. A work-related accident may include an accident which occurs while the employee is on the premises of the Company or at another work-site location, or is off-site while engaged in activities for or on behalf of the Company, or while the employee is operating a vehicle, including the employee's, for or on behalf of the Company. If there is a reasonable possibility that drugs or alcohol caused or contributed to the accident, and an employee refuses to take drug/alcohol test at the time of accident, the employee will be subject to disciplinary actions up to termination of employment. The Company also reserves the right to evaluate the employee's conduct that triggered the test, to determine if the conduct in and of itself warrants discipline, up to and including termination.

- **Reasonable Suspicion**: An employee must submit to a drug test and/or an alcohol test whenever the Company has, in accordance with the applicable state law, reason to suspect the employee has or may have used drugs or alcohol. In general, the Company's "reasonable suspicion" determinations will be based on specific, current observations that can be verbalized, including but not limited to the employee's appearance, behavior, speech, breath, or body odors. These observations may also include indications of an employee's chronic use of, or the effects of withdrawal from, drugs or alcohol. All "reasonable suspicion" tests must be administered as soon as possible following the determination.
- **Contingent offer of employment**: Prior to employment and after a conditional offer is made, applicants will be asked to undertake a drug test as a condition of employment. To the extent permitted by applicable law, applicants who test non-negative shall not be eligible for employment.
- **Random testing**. Employees may be tested on a random basis, unless prohibited by applicable state law.

Testing Methods and Procedures

Drug tests will be conducted by collection of urine specimens. Applicants and employees who test positive will be contacted by a Medical Review Officer ("MRO") to discuss whether there is any legitimate explanation for the positive test result. Applicants and employees may provide any information which may be considered relevant to the test, including identification of prescription or nonprescription drugs currently or recently used, or other relevant medical information. If the MRO determines that there is a legitimate medical explanation for the confirmed positive test result, the MRO will report the test result as negative. If the MRO determines that there is no legitimate explanation for the confirmed positive test result, the result will be verified by the MRO as a confirmed positive test. If an applicant or employee refuses or fails to make himself/herself available to speak with the MRO, the MRO may verify a test as positive without having communicated directly with the tested individual.

If the MRO reports to the Company that a negative drug test was dilute, the employee will be directed to take another test immediately. If the employee refuses to take a second test, this constitutes a refusal to test. If the second test is negative dilute, the test stands as a negative.

Applicants and employees who test positive for drugs will be given the opportunity to request a confirmatory re-test of the original specimen at a different laboratory, at the employee's or applicant's own expense.

Alcohol tests will be conducted by collection of breath specimens. A confirmed alcohol test of .04 BAC or greater shall be considered positive.

Refusal to Undergo Testing

Employees who refuse to submit to a test will be terminated (or in the case of an applicant, will disqualify the applicant for employment). Refusing to submit to a test includes adulteration or substitution of urine specimens; attempting to adulterate or substitute urine specimens; failing to provide or failing to attempt to provide a urine (or other) specimen without an adequate medical explanation; failing to report for the drug test within the time period allotted; failing to complete any paperwork required by the collection facility; failing to remain at the collection facility until the testing process is complete; or, failing to cooperate with the testing process in any way.

Consequences of Non-Negative Test Results

An employee who tests positive may be subject to discipline, up to and including termination of employment. Regardless of the results of a drug or alcohol tests, all employees are employed on an at-will basis and either the employee or Company may terminate their employment at any time for any or no reason with or without advanced notice.

Questions concerning this policy, or its administration should be directed to I.K. Hofmann Human Resources.

Section 5.12. Confidentiality Policy. Certain information, documents and methods/processes of the Company and its clients are confidential. Employees are required maintain as confidential all confidential information, including but not limited to Company and/or client's financial information (including, but not limited to, sales, volume, revenue, income, profit, margins, markups, surcharges, and discounts), customer/client lists and contact information, customer/client ordering preferences, business and marketing plans, product design plans, company training materials on design, software or other electronic programs related to design using Company products, correspondence and communication with customers/clients. These records may only be used in performing work for the Company and/or client and must not be divulged to any outside firm, individual, entity, or institution except on the direct written authorization of management or as otherwise required by law. No documents containing confidential information may be copied or removed from the Company's or client's premises or computer systems. Failure to abide by this policy will result in discipline, up to and including termination. Employees may be required to sign a confidentiality agreement, including a confidentiality provision, as a condition of their employment.

Section 5.13. Electronic Communications & Computer Usage. All the Company/Client electronic communications systems including, but not limited to, computers; computer content' software, electronic files' laptops' tablets' mobile devices smart phones, and other devices that are used in whole or in part for business use, whether Company or personally owned; instant message' e-mail' telephone' voice mail' internet access accounts, ("Electronic Systems") are the Company's or client's property and are intended primarily for business use during working time. Personal use

of such systems must be limited to non-work time and may not interfere with other employees who are on work time.

Employees have no legitimate expectation of privacy in regard to the Company's Electronic Systems. The Company or client may access its Electronic Systems and obtain the communications within the systems, without notice to employees, in the ordinary course of business to investigate allegations of harassment, discrimination or workplace violence; and to monitor production, job performance, and compliance with the Company's or client's policies and procedures. The Company and/or client also has the right to inspect or monitor without advance notice any devices employees use to access the Company's or client's Electronic Systems.

All software that has been installed on the Company/Client computers and personal computers used for the Company business is Company property and may not be used for any non-business, unlawful or otherwise improper purpose during working time. The Company's policy prohibiting all types of harassment applies to the use of the Company's and/or client's electronic communications systems, including Internet access. No one may use electronic communications in a manner that violates the no harassment policy provided in this Handbook. You should not use a password, access a file, or retrieve any stored communication without authorization. All employees, upon request, must inform management of any private access codes or passwords

Employees may not install or remove software on the Company's and/or client's Electronic Systems without prior management approval. Personal computers and other electronic devices (cell phones, tablets, PDAs, etc.) may not be connected directly to the Company's computer systems without prior management approval. Employees should guard against computer viruses and attempts to hack into the Company's or client's electronic system. In that regard, you should not download or click on suspicious links, response to suspicious emails, or share passcodes with unauthorized individuals. If you have concerns about a suspicious link or document, please contact your I.K. Hofmann Supervisor/Manager. Any violations of this policy may result in discipline, up to and including termination of employment.

Section 5.14. Social Networking Policy. The following social media policy applies to employees' conduct on social media/networking, including but not limited to, blogs, wikis, social networks, message boards, chat rooms, internet forums, virtual worlds, Facebook, Twitter, Instagram, Pinterest, Tumblr, Snapchat, blogs, Google+ or other social media. All existing Company policies and standards of conduct apply to social media.

The following are best practices for using social media:

- **Do not speak on behalf of the Company or Client.** Employees are not permitted to speak or post content or comments on behalf of the Company without express written authority from the Company.
- **Be accurate.** It is a violation of Company policy to knowingly, recklessly or maliciously disseminate false information.
- **Protect confidential information.** Do not post anything that would violate the Company's confidentiality policy and/or any confidentiality agreement to which you have signed.

- **No Threats, harassment or similar conduct.** Do not make comments or otherwise communicate about clients, coworkers, supervisors, the Company, Company clients, or Company vendors or suppliers in a manner that is obscene, threatening, intimidating, harassing, defamatory, libelous, or discriminatory on the basis of any legally recognized protected basis under federal, state, or local laws, regulations, or ordinances. Likewise, employees should not make any disparaging comments about Company clients. The Company's anti-harassment policy applies to social media usage.
- **Protect yourself.** You may be responsible for any material, content or links posted by other parties on your blog. Respect the laws regarding copyrights, trademarks, rights of publicity other third-party rights. To minimize the risk of a copyright violation, provide references to the source(s) of information you use and accurately copyrighted works you identify in your online communications. The Company will not be held responsible or liable for any actions or conduct of its employees on an employee's personal social media account that results in any action of defamation, libel, slander, any other tort, or alleged breach of any intellectual property law or agreement.
- **Interact on your time.** While on working time employees should focus on their job duties and avoid use of social media unless it is in furtherance of an employee's assigned job duties.

Section 5.15. Unauthorized Recording: To maintain the security of clients' confidential information, the Company prohibits unauthorized photography or audio and video recording by an employee, unless it is a protected activity. Authorization for recording requires the advance written approval by I.K. Hofmann Supervisor/Manager or Human Resources.

Section 5.16. Change of Personal Record: To keep your information and records up to date, to ensure that the Company has the ability to contact employees, and to ensure that the appropriate benefits are available, employees must promptly notify the I.K. Hofmann Supervisor/Manager or the local branch of any change of name, address, phone number, number of dependents, emergency contact information, or other applicable information.

Section 5.17. Employment Verification & References: The Company's Human Resources Department handles all requests for information about, or references for, current and former employees. As a general rule, only facts concerning dates of employment, title, confirmation of employment duties, or work locations will be given. Additional information about performance will generally be furnished only upon receipt of a signed consent agreement to the release of this information from the current or former employee.

Section 5.18. Notice of Resignation & Final Pay: In the event you choose to resign from your position or assignment, we ask that you give us advanced written notice of at least ten (10) business days. You must return all Company/Client property in your possession or for which you are responsible. If company/client property is not returned, the value of such items will be deducted from your final paycheck to the extent permitted by applicable federal, state and local law. Final paycheck will be mailed to the current address in file, on the next scheduled pay date, following the last date worked, unless otherwise required by state law.

ARTICLE 6 – SAFETY

Section 6.1. Safety. The cooperation of every employee is necessary to keep our environment a safe place to work. Help yourself and others by reporting unsafe conditions or hazards immediately to your supervisor. Give earnest consideration to the rules of safety presented to you. Begin right by always thinking of safety as you perform your job, or as you learn a new one.

Your safety, and that of those who work with you, is one of our greatest concerns. With an alert safety attitude, you can help eliminate painful and costly accidents.

Your I.K. Hofmann Supervisor/Manager will inform you of any additional safety rules that apply to your particular job or work location. I.K. Hofmann and our clients take your safety seriously, and any willful or habitual violation of safety rules will be considered cause for dismissal.

Section 6.2. Accidents on Company/Client Premises. Any accident that occurs on Company or a client's premises, should be reported immediately to your I.K. Hofmann Supervisor/Manager. For your own safety and the safety of others, please do not attempt to give medical aid to an injured guest or fellow employee unless you have been trained to do so. Seek the assistance of a supervisor and call 911 if warranted. In addition, please remember that only the Chief Executive Officer can answer questions on behalf of the Company about the Company's liability to injured guests.

If an employee is injured on the job, he or she may be entitled to worker's compensation benefits. If you are injured while working, please report it immediately to your I.K. Hofmann Supervisor/Manager, no matter how minor the injury may be. Failure to timely report work place injuries or illnesses may result in a denial of workers' compensation benefits. Please see the Workers' Compensation policy for additional details.

Section 6.3. Specific Safety Rules and Guidelines. To ensure your safety, and that of your coworkers, please observe and abide by the following rules and guidelines:

- Observe and practice the safety procedures established for the job, including any safety policies established by the client to whom you are assigned.
- In case of sickness or injury, no matter how slight, report at once to your supervisor.
- In no case should an employee treat his own or someone else's injuries or attempt to remove foreign particles from the eye.
- In case of injury resulting in possible fracture to legs, back, or neck, or any accident resulting in an unconscious condition, or a severe head injury, the employee is not to be moved until authorized personnel have given medical attention,
- Do not wear loose clothing or jewelry around machinery. It may catch on moving equipment and cause a serious injury.
- Never distract the attention of another employee, as you might cause him or her to be injured. If necessary to get the attention of another employee, wait until it can be done safely.
- Where required, you must wear protective equipment, such as goggles, safety glasses, masks, gloves, hair nets, etc.

- Safety equipment such as restraints, pull backs, and two-hand devices are designed for your protection. Be sure such equipment is adjusted for you.
- Pile materials, skids, bins, boxes, or other equipment so as not to block aisles, exits, firefighting equipment, electric lighting or power panel, valves, etc. **FIRE DOORS AND AISLES MUST BE KEPT CLEAR.**
- Keep your work area clean.
- Use compressed air only for the job for which it is intended. Do not clean your clothes with it and do not fool with it.
- Observe smoking regulations.
- Shut down your machine before cleaning, repairing, or leaving.
- Tow motors and lift trucks will be operated only by authorized personnel.
- Walk-type lift trucks will not be ridden and no one but the operator is permitted to ride the tow motors. Do not exceed a speed that is safe for existing conditions.
- Running and horseplay are strictly forbidden.
- Do not block access to fire extinguishers.
- Do not tamper with electric controls or switches.
- Do not operate machines or equipment until you have been properly instructed and authorized to do so by your supervisor.
- Do not engage in such other practices as may be inconsistent with ordinary and reasonable common sense safety rules.
- Report any **UNSAFE** condition or acts to your supervisor.
- **HELP TO PREVENT ACCIDENTS.**
- Use designated passages when moving from one place to another; never take hazardous shortcuts.
- Lift properly—use your legs, not your back. For heavier loads, ask for assistance.
- Do not adjust, clean, or oil moving machinery.
- Keep machine guards in their intended place.
- Do not throw objects.
- Clean up spilled liquid, oil, or grease immediately.
- Wear hard sole shoes and appropriate clothing. Shorts or mini dresses are not permitted.
- Place trash and paper in proper containers and not in cans provided for cigarette butts.
- Follow all applicable lock out and tag out procedures.

Safety checklist

It is every employee's responsibility to be on the lookout for possible hazards. If you spot one of the conditions on the following list—or any other possible hazardous situation—report it to your supervisor immediately.

- Slippery floors and walkways
- Tripping hazards, such as hose links, piping, etc.
- Missing (or inoperative) entrance and exit signs and lighting
- Poorly lighted stairs
- Loose handrails or guard rails

- Loose or broken windows
- Dangerously piled supplies or equipment
- Open or broken windows
- Unlocked doors and gates
- Electrical equipment left operating
- Open doors on electrical panels
- Leaks of steam, water, oil, etc.
- Blocked aisles
- Blocked fire extinguishers, hose sprinkler heads
- Mocked fire doors
- Evidence of any equipment running hot or overheating
- Oily rags
- Evidence of smoking in non-smoking areas
- Roof leaks
- Directional or wanting signs not in place
- Safety devices not operating properly
- Machine, power transmission, or drive guards missing, damaged, loose, or improperly placed

Safety equipment

Your supervisor will see that you receive the protective clothing and equipment required for your job. Use them as instructed and take care of them. You may be charged for loss or destruction of these articles only when it occurs through negligence.

Safety shoes

The company will designate which jobs and work areas require safety shoes. Under no circumstances will an employee be permitted to work in sandals or open-toe shoes. A reliable safety shoe vendor will visit the company periodically. Notices will be posted prior to the visits.

Safety glasses

The wearing of safety glasses by all shop employees is mandatory. Strict adherence to this policy can significantly reduce the risk of eye injuries.

Seat belts

All employees must use seat belts and shoulder restraints (if available) whenever they operate a vehicle on company business, file driver is responsible for seeing that all passengers in front and rear seats are buckled.

Section 6.4. Workplace Violence Prevention. We are strongly committed to providing a safe workplace. The purpose of this policy is to minimize the risk of personal injury to employees and damage to Company property. We specifically discourage employees from engaging in any physical confrontation with a violent or potentially violent individual. However, we do expect and encourage employees to exercise reasonable judgment in identifying potentially dangerous situations and informing management accordingly.

Threats, threatening language, or any other acts of aggression or violence made toward or by any Company employee will not be tolerated. For purposes of this policy, a threat includes any verbal or physical harassment or abuse, attempts to intimidate or to instill fear in others, menacing gestures, bringing weapons to the workplace, bullying, stalking, or any other hostile, aggressive, injurious and/or destructive actions undertaken for the purpose of domination or intimidation. Weapons are prohibited on Company and client premises unless such prohibition is restricted by applicable law.

All potentially dangerous situations including threats by co-workers should be reported immediately to an I.K. Hofmann Supervisor/Manager, or to any other member of management with whom you feel comfortable. Reports of threats may be made anonymously. All threats will be promptly investigated. No employee will be subject to retaliation, intimidation, or discipline as a result of reporting a threat under this policy.

If an investigation confirms that threat of a violent act or violence itself has occurred, the Company will take appropriate corrective action. Anyone, regardless of position or title, whom the Company determines has engaged in conduct that violates this policy, including retaliation, will be subject to discipline, up to and including termination.

If you are the recipient of a threat made by an outside party, please follow the steps detailed in this section. It is important for the Company to be aware of any potential danger in our workplace. Indeed, we want to take every precaution to protect everyone from the threat of a violent act by an employee or anyone else.

Section 6.5. Personal Belongings. The Company and its clients will not be responsible or liable for any personal property of an individual that is lost, stolen, or damaged. The responsibility for safeguarding, replacing, or repairing personal property lost, stolen, or damaged while on Company or a client's premises is that of the employee. Further, employees have no expectation of privacy while on Company or client's premises and the Company and/or its client reserves the right to search desks, lockers, and personal belongings. Consequently, we encourage employees not to bring personal property to work.

Section 6.6. Use of Company Property: Employees who need keys or key fobs to the office, locked cabinets or other secured storage or equipment will be issued those keys or key fobs by an I.K. Hofmann Supervisor/Manager. Keys and key fobs must be safeguarded and must be returned immediately at the end of employment. Making duplicate sets of keys or key fobs, or letting someone borrow a key or key fob assigned to you for any reason is prohibited. In the event you lose a key or key fob, immediately notify your I.K. Hofmann Supervisor/Manager. If you are responsible for the loss of a key that results in the lock being re-keyed, you may be asked to pay the cost to the extent permitted by applicable law.

For all Company's or client's assigned equipment, employees are expected to learn and follow all operating instructions, perform preventive maintenance, where applicable, and observe all safety practices. If you're unsure about the proper operation or maintenance of the Company's or client's property or equipment, ask your I.K. Hofmann Supervisor/Manager. Property and equipment that

appears damaged, defective, unsafe, or in need of repair should be reported promptly to your I.K. Hofmann Supervisor/Manager.

Employees causing damage to the Company's or client's property and equipment may be subject to disciplinary action up to and including immediate termination. This includes loss or damage due to carelessness, negligence, improper use, or unsafe practices. Monetary reimbursement to the Company may also be required if applicable and to the extent permitted by applicable federal, state and local law.

Section 6.7. Searches of Packages and Property. To protect employees from theft and workplace violence, and to enforce Company policy prohibiting possession or use of drugs or alcohol on its or its client's premises, the Company may at any time inspect any packages or containers entering or being removed from the Company's property by employees to the extent permitted by applicable law. Likewise, to the extent permitted by applicable law, the Company reserves the right to search employees and their personal property (e.g., vehicles, personal cell phone and smart phone devices, clothing, packages, purses, brief cases, lunch boxes, or other containers brought onto Company or client's premises) when there is reason to believe Company policy is being violated. Employees are expected to cooperate in the conduct of such searches.

The Company and/or a client may provide property to employees for their use (e.g., Company vehicles, desks, file cabinets, employee lockers, etc.). Searches of Company facilities and property, including Company property in the possession of the employee, may be conducted at any time by the Company or its client and such searches do not have to be based upon reason to believe Company policy is being violated, unless prohibited by applicable law. Employees may not withhold permission for the Company or a client to search Company or client-supplied property including but not limited to desks, lockers, tool boxes, lockers, and Company vehicles.

Section 6.8. Driving Records. The Company is committed to ensuring employees who have driving responsibilities do not place the Company, its clients, other employees, or members of the general public at risk. In keeping with this policy, the Company requires employees with driving responsibilities to maintain safe driving records as a condition of employment and continued employment. Individuals who fail to maintain such driving records may become unsuitable for their positions. In such cases, the Company reserves the right to discipline or terminate employees with driving responsibilities whose driving records become unsatisfactory.

An applicant or employee will be considered to have an unsatisfactory driving record if the Company's and/or the applicant's or employee's insurance carrier(s) refuses to continue to insure the applicant or employee, or agrees to continue to insure the applicant or employees only for an increased premium.

To verify an individual's driving status, the Company and/or its clients may require employees or job applicants to furnish all or portions of their driving record from the Department of Motor Vehicles or may ask them to sign any necessary authorizations to request records directly from the Department of Motor Vehicles. Subject to any limitations imposed by state and federal law, individuals must cooperate fully with any request for records or request for an authorization to seek such records from an appropriate agency or entity.

Section 6.9. Proof of Insurance. Employees with driving responsibilities must provide proof of insurance and a Certificate of Liability providing the insurance carrier will notify the Company if there is any modification to the employee's insurance coverage, including, but not limited to, cancellation of coverage. Employees who fail to comply with this requirement will be subject to disciplinary action, up to and including termination.

Section 6.10. Driving for Company Business. From time to time, you may be required to drive as part of your job. For your own safety and the safety of others, if you are asked to drive on Company business, the Company requires that you have a valid and current driver's license and that you carry legally-mandated automobile insurance. Prior to beginning any business-related travel, you must notify your I.K. Hofmann Supervisor/Manager if you do not have a valid and current driver's license or automobile insurance so that your supervisor/manager can make other travel arrangements. This policy does not apply to your regular commute to work.

Section 6.11. Notice of Suspension or Revocation of License or Cancellation or Modification of Liability Insurance. Any employee whose duties include driving has a significant responsibility to the Company, its clients and the general public to operate any motor vehicle in a safe and appropriate manner that conforms with all applicable traffic and safety laws. The employee also must at all times maintain the levels of liability insurance required by law. The Company, in turn, has responsibilities to employees, the general public and its insurance carrier with respect to employees whose duties include driving.

To fulfill these responsibilities, the Company requires employees with driving responsibilities to inform the branch manager at their facility within 24 hours if the employee's driver's license has been suspended or revoked or if the employee's liability insurance has been canceled or modified in any manner. Employees who fail to comply with this requirement will be subject to disciplinary action, up to and including termination.

Section 6.12. Use of Mobile Devices While Operating a Vehicle. The Company is committed to promoting roadway safety and to minimizing risk to the well-being of our employees by encouraging the safe use of cellular telephones by our employees while they are on company business. While the Company recognizes there often is a business need to use a mobile device, such as cell phones, smart phones, blackberries, and tablets, safety must be a priority.

Employees must follow all applicable rules of the road and are required to use a "hands free" device when using a cell phone while operating a motor vehicle for work. Even when using "hands free" technology, an employee who needs to make a phone call while driving, should if practicable, find a proper parking space or designated and safe "pull off" area first. Stopping on the shoulder of the road is not acceptable except in the case of a genuine unexpected emergency.

If stopping and pulling off the road is not practicable, the employee must exercise caution and care when using the cell phone. The employee is prohibited from any other activity, such as reading and/or writing/texting, while participating in a cell phone conversation and while driving a vehicle. If an in-coming call occurs while the employee is driving, and it is practicable to do so, the employee should answer the phone with care and caution and if possible, return the call when not operating a vehicle. If it is not practicable or safe to answer the phone, under the circumstances

(e.g., poor visibility due to weather, heavy traffic), do not answer the phone. Rather, allow the call to go into voicemail. You should then find a parking space or pull-off area as noted above, check voicemail, and return the call if necessary.

Reading or typing text messages, instant messages, or emails while driving is prohibited at all times. Likewise, employees may not access, use or view Skype, Facetime or smart phone applications while driving.

Employees who violate applicable laws may be subject to a fine by the government. The Company will not reimburse any employee for any fine imposed as a result of violating these laws.

CLOSING STATEMENT

The Management Team of I.K. Hofmann USA, Inc. appreciates you taking the time to thoroughly read and understand the Employee Handbook. We expect everyone to abide and follow all policies as set forth and described in this handbook and referenced policies. All employees are encouraged to make suggestions or share ideas for improvement. Together, we can help make I.K. Hofmann USA, Inc. a great place to work.