



J·F·Smith
BUILDING CONTRACTORS

Policy Manual

Acknowledgement Form
Employee Handbook
Revised: June 14, 2006



Acknowledgement Form

The associated handbook describes important information about J. F. Smith, Building Contractors, Inc. (J. F. Smith), and I understand that I should consult my supervisor regarding any questions not answered in the handbook. I have entered into my employment relationship with J. F. Smith voluntarily, and I acknowledge that there is no specified length of tenure at J. F. Smith. Accordingly, either I, or J. F. Smith can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except to the J. F. Smith policy of “employment-at-will”. All such changes will be communicated through official notices, and I understand that the revised information may supersede, modify, or eliminate existing policies. Only the Principals of J. F. Smith have the ability to adopt any revisions to the policies in this handbook.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

Employee expressly acknowledges that he or she has read, and does understand, Section 9 of the accompanying Employee Handbook. Employee acknowledges that termination of employee’s employment by either the employee or J. F. Smith, prior to the completion of the ninety (90) day introductory period, as referenced in Section 9 of the accompanying Employee Handbook, will preclude the employee from collecting Unemployment Compensation based upon his or her employment period with J. F. Smith.

Employee’s Signature

Date

Employee’s Name (Printed)

(See Back of Manual for Duplicate Form)



J. F. Smith, Building Contractors, Inc.

Employee Handbook

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General Employment Information

1) Nature of Employment

This handbook is designed to acquaint you with J. F. Smith, Building Contractors, Inc., also herein referred to as J. F. Smith, and provide you with information about working conditions, benefits, and some of the policies affecting you and your employment with J. F. Smith. You should read, understand, and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by J. F. Smith to benefit you. One of our objectives is to provide a work environment that is conducive to both personal and professional growth. Please be aware that the terms “employee”, “associate”, and “team member” are used interchangeably throughout this manual to describe a person employed within the divisions of J. F. Smith.

This handbook cannot anticipate every situation or answer every question about employment. It is not an employment contract and is not intended to create contractual obligations of any kind. Neither the employee nor J. F. Smith is bound to continue the employment relationship if either chooses, at its will, to end the relationship at any time.

In order to retain necessary flexibility in the administration of policies and procedures, J. F. Smith reserves the right to change, revise, or eliminate any of the policies and/or benefits described in this handbook, except for its policy of “employment-at-will”. The only recognized deviations from the stated policies are those authorized and signed by the **Principals** of J. F. Smith.

2) Employee Relations

J. F. Smith believes that the work conditions, wages, and benefits we offer to our employees are competitive with those offered by other employers in this area and this industry. If employees have concerns about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisors.

Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that J. F. Smith amply demonstrates its commitment to employees by responding effectively to their concerns

3) Employment Application

J. F. Smith relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in J. F. Smith’s exclusion of the individual from further

consideration for employment or, if the person has been hired the employment may be terminated.

4) Equal Employment Opportunity

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at J. F. Smith will be based on merit, qualifications, and abilities. J. F. Smith does not discriminate in employment opportunities or practices on the basis of race, color, religion, national origin, age disability or any other characteristic protected by law.

J. F. Smith will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Any employee with questions or concerns about any type of discrimination in the workplace is encouraged to bring these issues to the attention of their immediate supervisor or **President** or **CEO**. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

5) Immigration Law Compliance

J. F. Smith is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986 and the Immigration Act of 1990, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are re-hired must also complete the form if they have not completed an I-9 with J. F. Smith within the past three years, or if their previous I-9 is no longer on file.

Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

6) Drug Testing

J. F. Smith is committed to providing a safe, efficient, and productive work environment for all employees. Using or being under the influence of drugs on the job may pose serious safety and health risks. To help ensure a safe and healthy working environment, job applicants and employees may be asked to provide body substance samples (such as urine and/or blood) to determine the illicit or illegal use of drugs and alcohol. Refusal to submit

to drug testing may result in disciplinary action, up to and including termination of employment.

An Employee Assistance Program (EAP) will be able to provide confidential counseling and referral services to associates for assistance with such problems as drug and or alcohol abuse or addiction. It is the associate's responsibility to seek assistance from an EAP prior to reaching a point where his or her judgment, performance, or behavior has led to imminent disciplinary action. Participation in an EAP after the disciplinary process has begun may not preclude disciplinary action, up to and including termination of employment.

7) Employment and Associated References

a) Employment Reference Check

To ensure that individuals who join J. F. Smith are well qualified and have a strong potential to be productive and successful, it is the policy of J. F. Smith to check the employment references of all applicants.

The Payroll Department will respond to all reference check inquiries from other employers. Responses to such inquiries will be limited to factual information that can be substantiated by J. F. Smith's records. **No data will be released without written authorization and release signed by the individual who is the subject of the inquiry.**

b) Credit and Criminal Background Checks

J. F. Smith recognizes the importance of maintaining a safe workplace of associates who are honest, trustworthy, qualified, reliable, and non-violent. Associates' conduct while working for or representing J. F. Smith should not present a risk of harm to other employees, clients, or vendors. In order to address the company's concerns for the safety and integrity of our team, J. F. Smith reserves the right to investigate an individual's prior employment history, personal references, and educational background as well as other relevant information that is reasonably available to us. The company may review an applicant's or associate's credit report or criminal background, if any. In the event that a consumer report is obtained, the company will comply with the federal Fair Credit Reporting Act and applicable state laws, including providing the applicant or individual with any required notices and forms. Consistent with these practices, applicants or associates may be asked to sign certain authorization and release forms. Consistent with legal agreements, J. F. Smith reserves the right to require job applicants or associates to sign the forms when requested as a condition of employment.

Copies of the drug testing policy will be provided to all associates. Associates will be asked to sign an acknowledgement form indicating that they have received a copy of the drug testing policy. Questions concerning this policy or its administration should be directed to the **Human Resources Coordinator**.

8) Introductory Period

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether their new position meets their expectations. J. F. Smith uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or J. F. Smith may end the employment relationship at will at any time during this introductory period, with or without cause or advance notice.

All new and re-hired employees work on an introductory basis for the first ninety (90) calendar days after their date of hire. Any significant absence (five or more working days) will automatically extend an introductory period by the length of the absence. If J. F. Smith determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended for a specified period. Upon satisfactory completion of the introductory period, employees enter the "regular" status employment classification.

During the introductory period, new employees are eligible for those benefits that are required by law, such as workers' compensation insurance and social security. After becoming regular employees, they may also be eligible for other J. F. Smith benefits, subject to the terms and conditions of each benefits-program. Employees should read the information for each specific benefits-program for details on eligibility requirements.

Termination of an employee's employment at J. F. Smith by either the employee or J. F. Smith, prior to the completion of the ninety (90) day introductory period will preclude the employee from collecting Unemployment Compensation based upon his or her employment period with J. F. Smith.

9) Performance Evaluation

Supervisors and their associates are strongly encouraged to discuss job performance and goals on an informal, day to day basis. A formal written performance evaluation will be conducted at the end of an associate's initial period of hire, known as the introductory period. Additional formal performance evaluations may be conducted to provide both supervisors and associates the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals. Please realize that a positive performance evaluation does not guarantee an increase in salary, a promotion, or even continued employment. Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions, and demotions, are determined by and at the discretion of the company.

10) Job Duties

As a part of your initial orientation, you will learn the various duties and responsibilities of your job. You may be provided with a copy of the written job description for your individual position. The company maintains certain expectations and standards applicable to your job position, and your supervisor should review these with you from time to time.

It is expected that J. F. Smith employees will perform additional duties and assume additional responsibilities as needed by their supervisor or crew leader to ensure the efficient operation of the company. In order to adjust to changes in our business, it may become necessary to modify your job description and add or remove certain duties or responsibilities, or you may be reassigned to an alternate job position.

11) Employment Categories

It is the intent of J. F. Smith to clarify the definition of employee classifications so that employees understand their status and benefit eligibility. These classifications do not guarantee employment for any specified period of time.

Each employee is designated as either **NONEXEMPT** or **EXEMPT** from federal and state wage and hour laws. **NONEXEMPT** employees are entitled to overtime pay under specific provisions of federal and state laws. **EXEMPT** employees are excluded from specific provisions of federal and state wage and hour laws. An employee's **EXEMPT** or **NONEXEMPT** classification may be changed only upon written notification by J. F. Smith's Human Resources Coordinator or the Payroll Department.

In addition to the classifications above, each employee will belong to one of the following categories:

REGULAR FULL-TIME employees are those who are not in a temporary, part-time or introductory status, and who are regularly scheduled to work within J. F. Smith's schedule. Generally, they are eligible for the J. F. Smith benefits package, subject to terms, conditions, and limitations of each benefits-program. If an employee is changing from introductory status to regular status, they will be considered as regular full time from date of hire.

PART-TIME employees are those who are not assigned to a temporary or introductory status and who are regularly scheduled to work less than thirty-two (32) hours per week. While they do receive all legally mandated benefits (such as Social Security and Workers Compensation insurance), they are ineligible for some of J. F. Smith's other benefits-programs.

INTRODUCTORY employees are those whose performance is being evaluated to determine whether further relationship in a specific position with J. F. Smith is appropriate. Employees who satisfactorily complete the introductory period will be notified of their new

employment classification by the Human Resources Coordinator or the Payroll Department.

TEMPORARY employees are those who are hired by J. F. Smith as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project. Employee assignments in this category are of limited duration. Employment beyond any initially stated period does not in any way imply a change in status. Temporary employees retain that status unless and until notified of a change by the Human Resources Coordinator or the Payroll Department. While temporary employees receive legally mandated benefits (such as Social Security and Workers Compensation insurance), they are ineligible for all other J. F. Smith benefits-programs.

12) Employment Service Credit

“Length of Service” refers to the length of time that our Team Members spend as active full-time or part-time employees with J. F. Smith. Service begins on the day you become a full-time or part-time Team Member.

“Length of Service” may be significant for determining certain employee benefits such as vacation, sick-leave, etc. as set forth in this manual. Team members will not lose credit for service with the company in determining eligibility for these benefits provided their last day of service with the company is within one calendar year of again becoming an active team member. Team members will not accrue service credit with J. F. Smith while taking unpaid leaves of absence including medical and family leave.

13) Conflicts of Interest

Employees have an obligation to conduct business within the guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which J. F. Smith wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees may seek further clarification on issues related to the subject of acceptable standards of operation. Contact your **Division Manager** for more information or questions about conflicts of interest.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee, or for an acquaintance, friend, or relative of that employee, as a result of J. F. Smith business dealings. For the purpose of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons related by blood or marriage.

No presumption of guilt is created by the mere existence of relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to an officer of J. F. Smith, as soon as possible,

the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee, friend, or relative has significant ownership in a firm with which J. F. Smith does business, but also when an employee, acquaintances, friends, or relatives receive any “kickback”, bribe, substantial gift, gratuity, or special consideration as a result of any transaction or business dealings involving J. F. Smith.

14) Outside Employment

An employee may hold a position with another organization as long as he or she satisfactorily performs his or her responsibilities with J. F. Smith. All employees will be judged by the same performance standards and will be subject to J. F. Smith scheduling demands, regardless of any existing outside work requirements. All outside activities, which are related to our industry, for monetary gain shall be disclosed to your supervisor or **Division Manager**.

If J. F. Smith determines that an employee’s outside work interferes with performance or ability to meet the requirements of J. F. Smith, as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with J. F. Smith.

15) Hiring of Relatives

The employment of relatives in the same area of the organization 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.

Relatives of persons currently associated with J. F. Smith may be hired only if they will not be working directly for a supervising relative. J. F. Smith employees cannot be transferred into such a reporting relationship.

If the relative-relationship is established after employment, the individuals concerned will decide who is to be transferred, if a position exists for transfer, and if the individuals are qualified for such position. If that decision is not made within thirty (30) calendar days, management will make the decision for the individual and the position.

In other cases where a conflict, or the potential for conflict, arises, even if there is no supervisory relationship involved, the parties may be separated by reassignment or termination.

For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

Outside employment will present a conflict of interest if it has an adverse impact on J. F. Smith. Employment of any kind with J. F. Smith's competition or trade-contractors will constitute a conflict.

Conduct & Work Rules

16) Associate Conduct and Work Rules

To ensure orderly operations and to provide the best possible work environment, J. F. Smith expects employees to follow rules of conduct that will protect the interest and safety of all employees and the organization.

It is not possible to list all forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of the rules of conduct that may result in disciplinary action, up to and including termination of employment:

- Theft or inappropriate removal or possession of company or project property
- Working under the influence of alcohol or illegal drugs
- Falsification of timekeeping records
- Possession, distribution, sale, transfer, or use of illegal drugs
- Possession, distribution, sale, transfer, or use of alcohol in the workplace, or while on duty, or while operating employer-owned or employer-leased vehicles or equipment
- Fighting or threatening violence in the workplace or while on duty
- Negligence or improper conduct leading to damage of employer-owned or client-owned property
- Insubordination or other disrespectful conduct
- Violation of safety or health rules
- Sexual or other unlawful or unwelcome harassment
- Possession of dangerous materials, such as explosives or firearms, in the workplace
- Excessive absenteeism or any absence without notice
- Unsatisfactory performance or conduct
- Inappropriate attire

Employment with J. F. Smith is at the mutual consent of J. F. Smith and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice..

17) Business Conduct

Team members must decline or return any gift, gratuity, or cost reduction for services rendered from any client, vendor, or supplier, or any other person or entity that does business with J. f. Smith. In so doing, please explain that J. F. Smith prohibits our employees from accepting gifts or gratuities to ensure that business decisions, transactions, and services are provided on an objective and professional basis.

18) Client Relations

Our success depends on satisfying our clients. Associates are expected to treat clients courteously and with the utmost respect at all times. You must attend to our clients' questions and demand promptly and professionally. If you need assistance, please contact your immediate superior team member for additional assistance for you and the client.

19) Attendance and Punctuality

To maintain a safe and productive work environment, J. F. Smith expects associates to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other associates and J. F. Smith.

In rare instances when an associate cannot avoid being late to work or is unable to work as scheduled, he or she should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence, but under no circumstances should the report occur after the associate's scheduled work-start time.

Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

If you fail to report for work for two consecutive days without appropriate notification to the company, you may be considered to have abandoned your employment.

20) Professional Dress

Professional attire communicates professionalism to our clients and to the community. It also helps establish and maintain professional discipline among associates within the work environment. Below are some of the standards of professional dress:

Table 20.1: Professional Dress

MANAGEMENT STAFF

(Salaried Staff, ie. Administration Personnel, Superintendents, Project Managers, Division Managers, Officers)

Appropriate Attire for Corporate Offices

Men

JFS-issue button-down Shirts
Slacks, Docker® style pants

Women

Dress slacks or skirts
JFS-issue dress shirts or golf shirts

Appropriate Attire at Project Offices*

Sturdy work boots or shoes
Long pants (without cuffs)

JFS-issue sleeved (4” long min.) shirts or blouses
Hard hat, safety glasses and ear protection (outside)

Inappropriate Attire for Corporate and Project Offices

Men

T-Shirts, Sleeveless shirts, sweatshirts
Tennis shoes, sandals, flip/flops
Jeans
“No Socks”, Ever
Attire or footwear that is torn, faded, stained or wrinkled
Inappropriate colors, patterns or combinations

Women

**Short skirts or **short dresses or shorts or skorts
Tennis shoes, sandals, flip/flops
Jeans, stirrup pants, stretch pants, or sweatpants
“No Socks” Ever
Attire or footwear that is torn, faded, stained or wrinkled
Sleeveless or low-cut attire

General Grooming Guidelines

Men

Head and hair should be clean, combed, neatly cut and trimmed: this includes beards and mustaches.
Facial hair to be shaven daily except as it pertains to the above

Women

Head and hair to be clean, combed, cut and trimmed to neat appearance.
Underarm and leg hair to be removed to the point of social and religious acceptability.

*For some jobsites business attire similar to that worn in the corporate office may be required

**Any hemline higher than tip of one’s fingers, when arms and hands are extended straight down at one’s sides, is considered inappropriate for our office or work environment.

Direct Labor Staff

(Hourly Staff, Foremen, Crew Leaders, Crew Members)

Appropriate Attire On-Site or While Riding in JFS Vehicles During Business Hours

JFS-issue T-Shirt (not to be altered)

Long pants (without cuffs)

Sturdy work boots or shoes

Hard hat, safety glasses and ear protection (outside)

Additional Personal Protective Equipment and Personal Fall Arrest Systems as required

Inappropriate Attire for Direct Labor

Tennis shoes, sandals, flip/flops

Torn pants or sweatpants

Tee-shirt not issued by JFS

Consult your supervisor or **Division Manager** if you have questions as to what constitutes appropriate attire.

21) Safety

To assist in providing a safe and healthy work environment for associates, customers, and visitors, J. F. Smith has established a **Workplace Safety Program**. This program is a top priority for J. F. Smith. The **Safety Coordinator** has responsibility for implementing, administering, monitoring, and evaluating the Safety Program, but it is also the policy of this company that all employees, including managers, superintendents, and foreman, will conduct our operations in a safe manner to see that health and safety regulations are followed. The **Safety Coordinator** and officers of the company will provide training and direction to assist the supervisors and foreman in carrying out these duties, but the overall success of this policy depends on the alertness and personal commitment of all employees, associates, and trade-contractors of J. F. Smith.

J. F. Smith provides information to employees about workplace safety and health issues through regular internal communication channels such as supervisor-employee meetings, bulletin board postings, memos, or other written communications.

Employees and supervisors receive periodic workplace safety training. The training covers potential safety and health hazards and safe work practices and procedures to eliminate or minimize the hazards. Our company has adopted the ASCC Safety Manual directly into our policy to help keep our operations safe for our employees and any public that we may encounter on our projects. A copy of this manual is available for review at both of our main offices, all of our field offices, each crew “box-truck”, and each project manager’s company vehicle. Copies are also available for “check-out” from our main corporate office for any employees that wish to take the manual home to become more familiar with our policies.

Some of the best safety improvement ideas are introduced by our employees. Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to communicate such ideas to their supervisor, another supervisor, manager, or **Safety Coordinator**. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes and all reports can be made without fear of reprisal. Anonymous reports may be left in J. F. Smith “drop-box” at the Main Office.

Each employee is expected to obey safety rules and exercise caution in all work activities. Employees must immediately report any unsafe conditions to appropriate supervisor. Employees who violate safety standards, or cause hazardous situations, or fail to report absences, or, where appropriate, remedy such situations, may be subject to disciplinary action up to and including termination of employment. (See Section 33 and Table 33.1 of the **Policy Manual**)

In the case of accidents that result in injury, regardless of how significant the injury may appear, employees must immediately notify the **Safety Coordinator** and the appropriate supervisor. Such reports are necessary to comply with laws and initiate insurance and workers’ compensation benefits procedures.

22) Use of Stationery and Mail Services

All engraved or printed J. F. Smith stationery, envelopes, and other work materials are for company business only. These materials may not be used for personal correspondence or non-business matters. When signing business letters on J. F. Smith letterhead, the team member's name and title or position must be used.

Team members are requested not to send or receive personal mail using J. F. Smith's mail services. Associates may be required to reimburse the cost of postage for non-business-related materials that they send through the company's mail services.

23) Use of Technology and the Internet

J. F. Smith's technical resources, including desktop and portable computer systems, fax machines, Internet and World Wide Web (Web) access, voice mail, electronic mail (e-mail), electronic bulletin boards, and its intranet, enable Team Members quickly and efficiently to access and exchange information throughout J. F. Smith and around the world. When used properly, we believe these resources greatly enhance employee productivity and knowledge. In many respects, these new tools are similar to other company provided tools, such as stationery, file cabinets, photocopiers, and telephones. Because these technologies are both new and rapidly changing, it is important to explain how they fit within the company and within your responsibilities as a Team Member.

This policy applies to all technical resources that are owned or leased by J. F. Smith that are used on or accessed from Corporation premises, or that are used on Corporation business. This policy also applies to all activities using any Corporation-paid accounts, subscriptions, or other technical services, such as Internet and World Wide Web access, voice mail, and e-mail, whether or not the activities are conducted from Corporation premises.

NOTE: As you use J. F. Smith's technical resources, it is important to remember the nature of the information created and stored there. Because they seem informal, e-mail messages are sometimes offhand, like a conversation, and not as carefully thought out as a letter or memorandum. Like any other document, an e-mail message or other computer information can later be used to indicate what an associate knew or felt. You should keep this in mind when creating e-mail messages and other documents. Even after you delete an e-mail message or close a computer session, it may still be recoverable and may even remain on the system.

a. Acceptable Uses of J. F. Smith Provided Technology

J. F. Smith's technical resources are provided for the benefit of the J. F. Smith team and its clients, vendors, and suppliers. These resources are provided for use in the pursuit of Corporation business and are to be reviewed, monitored, and used only in that pursuit, except as otherwise provided in this policy.

Team Members are otherwise permitted to use the company's technical resources for occasional, non-work purposes with permission from their direct Division Manager of Principal. Nevertheless, team members have no right of privacy as to any information or file maintained in or on J. F. Smith's property or transmitted or stored through the company's computer, voice mail, e-mail, or telephone systems.

b. Unacceptable Uses of J. F. Smith Provided Technology

J. F. Smith's technical resources should not be used for personal gain or the advancement of individual views. Team members who wish to express personal opinions on the Internet are encouraged to obtain a personal account with a commercial Internet service provider and to access the Internet without using corporation resources. Team member postings are not permitted on the company's intranet or electronic bulletin board.

Solicitation for any non-corporation business or activities using corporation resources is strictly prohibited. Your use of the company's technical resources must not interfere with your productivity, the productivity of any other team member, or the operation of J. F. Smith's technical resources. **Team members may not play games on J. F. Smith's computers and other technical resources.**

Employees should not send e-mail or other communications that either mask your identity or indicate that they were sent by someone else. You should never access any technical resources using another team member's password. Similarly, you should only access the libraries, files, data, programs, and directories that are related to your work duties. Unauthorized review, duplication, dissemination, removal, installation, damage, or alteration of files, passwords, computer systems or programs, or other property of J. F. Smith, or improper use of information obtained by unauthorized means, is prohibited. Violators will be subject to discipline, up to and including discharge.

Sending, saving, or viewing offensive material is prohibited. Messages stored and/or transmitted by computer, voice mail, e-mail, or telephone systems must not contain content that may reasonably be considered offensive to any team member. Offensive material includes, but is not limited to, sexual comments, jokes or images, racial slurs, gender-specific comments, or any comments, jokes or images that would offend someone on the basis of his or her race, color, religion, sex, age, national origin or ancestry, physical or mental disability, veteran status, marital status, possession of the sickle cell trait, genetic characteristics, religious creed, handicap, blindness, HIV-positive status, pregnancy, Tay-Sachs syndrome, Cooley's anemia, criminal conviction, arrest record, deafness, cancer, as well as any other category protected by federal, state, or local laws. Any use of the Internet/World Wide Web, intranet, or electronic bulletin board to harass or discriminate is unlawful and strictly prohibited by J. F. Smith. Violators will be subject to discipline, up to and including discharge.

J. F. Smith does not consider conduct in violation of this policy to be within the course and scope of employment or the direct consequence of the discharge of one's duties. Accordingly, to the extent permitted by law, the company reserves the right not to provide a defense or pay damages assessed against team members for conduct in violation of this policy.

c. Access to Information

J. F. Smith expects employees to keep in mind that when they are using company computers they are creating corporation documents using a corporation asset. J. F. Smith respects the individual privacy of its team members, however, that privacy does not extend to a team member's work-related conduct or to the use of corporation provided technical resources or supplies.

J. F. Smith's computer, voice mail, e-mail, or telephone systems, and the data stored on them are, and remain at all times, company property. As a result, computer data, voice mail messages, e-mail messages, and other data are readily available to numerous persons. If, during the course of employment, a team member performs or transmits work on J. F. Smith's computer system and other technical resources, that work may be subject to the investigation, search, and review of others in accordance with this policy.

All information, including e-mail messages and files, that is created, sent, or retrieved over J. F. Smith's technical resources is the property of J. F. Smith and should not be considered private or confidential. Team members have no right to privacy as to any information or file transmitted or stored through the company's computer, voice mail, e-mail, or telephone systems. Any electronically stored information that you create, send to, or receive from others may be retrieved and reviewed when doing so serves the legitimate business interests and obligations of the company. Team members should also be aware that, even when a file or message is erased or a visit to an Internet or Web site is closed, it is still possible to recreate the message or locate the Web site. J. F. Smith reserves the right to monitor your use of its technical resources at any time. All information including text and images may be disclosed to law enforcement or to other third parties without prior consent of the sender or the receiver.

d. Copyrighted Materials

You should not copy and distribute copyrighted material (e.g., software, database files, documentation, articles, graphics files, and downloaded information) through the e-mail system or by any other means unless you have confirmed in advance from appropriate sources that J. F. Smith has the right to copy or distribute the material. Failure to observe a copyright may result in disciplinary action by J. F. Smith as well as legal action by the copyright owner. Any questions concerning these rights should be directed to your **Division Manager** or **Principal**.

e. Confidential Information

E-mail and Internet/Web access are not entirely secure. Others outside J. F. Smith may also be able to monitor your e-mail and Internet/Web access. For example, Internet sites maintain logs of visits from users; these logs identify which company, and even which particular person, accessed the service. If your work using these resources requires a higher level of security, please ask your **Division Manager** for guidance on securely exchanging e-mail or gathering information from sources such as the Internet or World Wide Web.

All Team Members should safeguard J. F. Smith's confidential information, as well as that of clients and others, from disclosure. Do not access new voice mail or e-mail messages with others present. Messages containing confidential information should not be left visible while you are away from your work area.

E-mail messages containing confidential information should include the following statement, in all capital letters, at the top of the message: **CONFIDENTIAL: UNAUTHORIZED USE OR DISCLOSURE IS STRICTLY PROHIBITED.**

f. Security of Information

Although you may have passwords to access computer, voice mail, and e-mail systems, these technical resources that belong to J. F. Smith are to be accessible at all times by J. F. Smith and are subject to inspections by J. F. Smith with or without notice. The company may override any applicable passwords or codes to inspect, investigate, or search a team member's files and messages. All passwords must be made available to the **President** upon request. You should not provide a password to other team members or to anyone outside the corporation and should never access any technical resources using another team member's password.

In order to facilitate the company's access to information on its technical resources, you may not encrypt or encode any voice mail or e-mail communication or any other files or data stored or exchanged on corporation systems without the express prior written permission from the **President** and your **Division Manager**. As part of this approval, the **President** will indicate a procedure for you to deposit any password, encryption key or code, or software with the **President** so that the encrypted or encoded information can be accessed in your absence.

g. J. F. Smith's Software Policy

If you want to install software on corporation computers, you must contact the **President** and request to have the software installed. Team members are prohibited from installing any software on any corporation technical resource without the express prior written permission from the **President**.

Involving the **President** ensures that the company can manage the software on corporation systems, prevent the introduction of computer viruses, and meet its obligations under any applicable software licenses and copyright laws. Computer software is protected from unauthorized copying and use by federal and state law; unauthorized copying or use of computer software exposes the company and the individual team member to substantial fines and exposes the individual team member to imprisonment. Therefore, team members may not load personal software onto J. F. Smith's computer system and may not copy software from J. F. Smith for personal use.

h. Employee Responsibilities

Each team member is responsible for the content of all text, audio, or images that they place or send over J. F. Smith's technical resources. Team members may access only files or programs, whether computerized or not, that they have permission to enter.

Violations of any guidelines in this policy may result in disciplinary action up to and including termination. In addition, the company may advise appropriate legal officials of any illegal violations.

24) Use of Telephones

Employees shall be required to reimburse J. F. Smith for any charges resulting from their personal use of any J. F. Smith phone.

To ensure effective telephone communications, employees should always use an approved greeting and speak in a courteous and professional manner. Please confirm information received from the caller, and **hang up only after the caller has done so when talking to anyone “outside” our organization.** This procedure of being the last party to leave a phone call is **very important** to show the courtesy and service that exemplifies the J. F. Smith brand. **You will be observed closely as to your success in implementing this procedure, so please give it appropriate practice and discipline.**

25) Use of Equipment and Vehicles

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, associates are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines. All vehicles are to be clean in the interior and exterior at all times, as they may be the main exposure many of our clients have with out company. The vehicles should be washed, waxed, and vacuumed to maintain this expectation.

No alterations may be made to any vehicle, tool, or piece of equipment without express permission from the relevant Supervisor. No stickers, signs, magnets, racks, tool boxes, etc. will be attached or displayed on any JFS vehicle without express permission from a Principal of the company.

Please notify a supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective or need repair. Prompt reporting of damages, defects and the need for repairs could prevent deterioration of equipment and possible injury to associates or others. The supervisor can answer any questions about an associate’s responsibility for maintenance and care of equipment or vehicles used on the job.

All employees authorized to drive company vehicles must possess a valid driver’s license and an driving record acceptable to our insurance provider. Any change in license status or driving record must be reported to your direct supervisor immediately. In the event that an employee’s driving record becomes unacceptable to management or our insurance carrier, the employee may be restricted from driving, reassigned, suspended, or terminated at management’s discretion. The improper, careless, negligent, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can

result in disciplinary action, up to and including termination of employment. A valid driver's license must be in an employee's possession while operating any J. f. Smith vehicle.

Team members who lose, steal, or misuse company property may be held personally liable for replacing or repairing the equipment and may also be subject to discipline up to and including termination.

J. F. Smith reserves the right, at all times and without prior notice to search and inspect any and all of its property for the purpose of determining whether this policy or any other policy of the company has been violated, or when and inspection and investigation is necessary for purposes of promoting safety in the workplace or compliance with state and federal laws. These inspections may be conducted during or after business hours and in the presence or absence of the relevant team members.

26) Smoking

In keeping with J. F. Smith's intent to provide a safe and healthy work environment, smoking is prohibited within the workplace and within our vehicles.

This policy applies equally to all employees, customers and visitors

27) Drug and Alcohol Use

It is J. F. Smith's desire to provide a drug-free, healthy, and safe workplace. To promote this goal, associates are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner.

While on J. F. Smith premises or workplaces, and while conducting business related activities off J. F. Smith premises, no associate may use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. The legal use of prescription drugs is permitted on the job only if it does not impair an associate's ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace.

Violations of this policy may lead to disciplinary action, up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences.

To inform associates about important provisions of this policy J. F. Smith has established a Drug-Free Awareness program. The program provides information on the dangers and effects of substance abuse in the workplace, resources available to associates, and consequences for violations of this policy.

Associates with questions or concerns about substance dependency or abuse are encouraged to use the resources of an Employee Assistance Program. They may also wish to discuss these matters with their supervisor or the President and/or CEO to receive assistance or referrals to appropriate resources in the community.

Under the Drug-Free Workplace Act, an associate who performs work for a government contract or grant must notify J. F. Smith of a criminal conviction for drug related activity occurring in the workplace. The report must be made within five days of the conviction.

Associates with questions on this policy or issues related to drug or alcohol use in the workplace should make their concerns known to their supervisor, the President and/or CEO without fear of reprisal.

28) Harassment and Mutual Respect

J. F. Smith is committed to maintaining a work environment that is free of discrimination, including sexual harassment.

Unwelcome sexual advances, requests for sexual favors, and other physical, verbal, or visual conduct based on sex may constitute sexual harassment. This conduct is unlawful when (1) submission to such conduct is made either explicitly or implicitly a term condition of an individual's employment, (2) submission to, or rejection of, such conduct by an individual is used as the basis for employment decisions affecting such individual, or (3) such conduct has the purpose or effect of unreasonably interfering with individual's work performance or created an intimidating, hostile, or offensive working environment.

Sexual harassment may include such actions as:

- Conduct which is offensive to the individual, such as sexual flirtations, "kidding", "teasing", or jokes of a sexual nature
- Physical contact such as touching, patting, pinching, grabbing, or brushing against another's body
- Sexual favors or the taking of, or the refusal to take, any personal action on the basis of an associate's submission to or refusal of sexual overtures
- Displaying pictures, posters, calendars, graffiti, objects, promotional materials, reading materials, or other materials that are sexually suggestive, demeaning, or pornographic, or bringing into the work environment or possessing any such materials to read, display, or view in the work environment.

Everyone at J. F. Smith, and especially each manager, is expected to avoid any behavior or conduct that could be interpreted as unlawful harassment. All associates should understand the importance of informing an individual whenever that individual's behavior is unwelcome, offensive, in poor taste, or inappropriate.

Anyone who believes he or she is being subjected to harassment or who has witnessed such conduct must immediately notify his or her manager. If the problem is not immediately

resolved, that associate should contact the relevant **Division Manager**. If an associate's manager is involved, the associate need not contact that manager first, but may instead proceed directly to the **President**. The policy of J. F. Smith is to investigate each complaint promptly and to keep complaints and the result of the investigation confidential to the fullest extent practicable. There will be no retaliation against anyone for reporting discrimination or harassment, or for cooperating with such an investigation.

If an investigation confirms that a violation of this policy has occurred, the appropriate disciplinary actions, up to and including discharge, will be taken, in investigating complaints of harassment, J. F. Smith may impose discipline for inappropriate conduct without regard to whether the conduct constitutes a violation of the law, if that conduct does not rise to the level of violation of this policy.

Along with sexual harassment, which is discussed separately above, J. F. Smith will not tolerate harassment of associates for reasons related to race, age, national origin, religion, creed, ancestry, medical conditions, marital status, or disability. Harassment of fellow associates and non-associates on these grounds is prohibited. If you think that another associate is harassing you in violation of this policy, ask the person to stop immediately. If he or she continues to violate the policy, contact your manager.

If you feel that your manager cannot help you or if your manager is harassing you in violation of this policy, contact his or her manager or the appropriate **Division Manager**. J. F. Smith strongly prefers, but does not require, such contacts to be expressed in writing.

Any associate of J. F. Smith who is found to have engaged in prohibited harassment is subject to disciplinary action, up to and including discharge from employment. Any associate who engages in prohibited harassment, including any supervisor or manager who knew about the harassment but took no action to stop it, may be held personally liable for monetary damages. Any supervisor or manager who knew about harassment and took no action to stop it or failed to report the harassment to the President may also be subject to discipline up to and including discharge. J. F. Smith does not consider conduct in violation of this policy to be within the course and scope of employment or the direct consequence of the discharge of one's duties. Accordingly, to the extent permitted by law, J. F. Smith reserves the right not to provide a defense or pay damages assessed against associates for conduct in violation of this policy.

Finally, apart from the unlawful harassment noted above, J. F. Smith expects that associates will act properly and professionally toward each other. All of us should respect our co-workers and work with them in a manner that indicates such respect. Even though many kinds of harassment are not unlawful, and J. F. Smith is not legally responsible for problems related to such types of harassment, J. F. Smith fully expects its associates to interact with each other professionally and respectfully.

29) Visitors In the Workplace

To provide safety and security of employees and the facilities at J. F. Smith, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps

maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

All visitors should enter any J. F. Smith office, facility, or project at the designated reception or controlled entry area. Authorized visitors will receive directions or be escorted to their destination. Employees are responsible for the conduct and safety of their visitors.

If an unauthorized individual is observed on J. F. Smith's premises, or projects, employees should immediately notify their supervisor or, if necessary, direct the individual to the designated reception area, controlled entry area, or off the premises.

30) Solicitation and Distribution of Literature

J. F. Smith has established rules, applicable to all team members, to govern solicitation and distribution of written material during working time and entry onto the premises and work areas. All employees are expected to comply strictly with these rules.

- a. No employee shall solicit or promote support for any cause or organization during his or her working time or during the working time of the team member or team members at whom the activity is directed;
- b. No team member shall distribute or circulate any written or printed material in work areas at any time, during his or her working time, or during the working time of the team member or team members at whom the activity is directed; and
- c. Under no circumstances will non-team members be permitted to solicit or to distribute written material for any purpose on J. F. Smith property or project sites.

As used in this policy, "working time" includes all time for which an associate is paid and/or is scheduled to be performing services for J. F. Smith; it does not include break periods, meal periods, or periods in which a team member is not, and is not scheduled to be, performing services or work for J. F. Smith.

31) Public Statements to the Media

All media inquiries regarding J. F. Smith and any of its operations must be referred to the **President** of J. F. Smith. Only the **President** is authorized to make or approve any public statements pertaining to the company or its operations. No associates, unless expressly authorized by the **President**, may make any statements to the media. Any associate desiring to write and/or publish an article, paper, or video on behalf of the company must first obtain written approval from the **President** of J. F. Smith before publication.

32) Life Threatening Illness in the Workplace

Associates with life-threatening illnesses, such as cancer, heart disease, and immune-deficiency disorders often wish to continue their normal life-pursuits, including work, to the extent allowed by their condition. J. F. Smith supports these endeavors as long as associates are able to meet acceptable performance standards, and the illness does not cause potential harm to their associates.

Medical information on individual associates is treated confidentially. J. F. Smith will take reasonable precautions to protect such information from inappropriate disclosure. Managers and other associates have a responsibility to respect and maintain the confidentiality of associate medical information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment.

33) Progressive Discipline

The purpose of this policy is to state J. F. Smith's position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace. The best disciplinary measure is the one that does not have to be enforced and comes from good leadership and fair supervision at all employment levels.

J. F. Smith's own best interest lies in ensuring fair treatment of all associates and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the associate for satisfactory service in the future.

Although employment with J. F. Smith is based on mutual consent, and both the associate and J. F. Smith have the right to terminate employment at will, with or without cause or advance notice, J. F. Smith may use progressive discipline at its discretion.

Disciplinary action may call for any of four levels of severity: Level 1, verbal warning; Level 2, written warning; Level 3, a three day suspension; Level 4, termination of employment. **There may be circumstances when one or more steps are bypassed.**

Progressive discipline means that, with respect to most disciplinary problems, these steps will normally be followed: a first offense may call for verbal warning, a next offense may be followed by a written warning; another offense, may lead to a suspension; and, still another offense may lead to termination of employment. If more than three months has passed since the last disciplinary action, the process will normally start over.

J. F. Smith recognizes that there are certain types of associate problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps. The following table, while not all inclusive of problems and appropriate disciplinary actions, will serve as a guideline for the severity of discipline for a few types of offenses.

Table 33.1: Discipline Guidelines		
Description of Offense	Offense	Discipline Level
Possession or use of intoxicating beverages or drugs at work	1 st	4
Reporting for work under the supposed influence of alcohol or drugs	1 st	3
	2 nd	4
Possession, use, or bringing weapons or explosives to the workplace	1 st	4
Fighting, or provoking fighting, at the workplace	1 st	3
	2 nd	4
Smoking in restricted or prohibited areas	1 st	1
	2 nd	2
	3 rd	3
	4 th	4
Failure to wear or use safety clothing or personal protective equipment including hardhats, safety goggles, boots, hearing protection, etc.	1 st	1
	2 nd	2
	3 rd	3
	4 th	4
Failure to use fall protection equipment	1 st	1
	2 nd	2
	3 rd	3
	4 th	4
Failure to comply with a foreman's instructions	1 st	4
Negligence in not reporting known unsafe conditions, faulty equipment, or intoxicated or impaired team member	1 st	1
	2 nd	2
	3 rd	3
	4 th	4
Contributing to unsanitary conditions, poor housekeeping, or failure to perform required housekeeping	1 st	1
	2 nd	2
	3 rd	3
	4 th	4
Unsafe operation of equipment, tools, or the use of defective equipment, or failure to inspect equipment before use	1 st	1
	2 nd	2
	3 rd	3
	4 th	4

While it is impossible to list every type of behavior that may be deemed a serious offense, the ASSOCIATE CONDUCT AND WORK RULES (see Section 15, above) policy includes examples of problems that may result in immediate suspension or termination of employment. However, the problems listed are not all necessarily serious offenses, but they serve as examples of unsatisfactory conduct that will trigger progressive discipline.

By using progressive discipline, we hope that most associate's discipline can be corrected at an early stage, benefiting both the associate and J. F. Smith.

34) Problem Resolution Procedure

J. F. Smith is committed to providing the best possible working conditions for its associates. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives timely response from J. F. Smith supervisors and management.

J. F. Smith strives to ensure fair and honest treatment of all associates. Supervisors, managers, and associates are expected to treat each other with mutual respect. Associates are encouraged to offer positive and constructive criticism.

If associates disagree with established rules of conduct, policies, or practices, they can express their concern through the **Problem Resolution Procedure**. No associate will be penalized, formally or informally, for voicing a complaint with J. F. Smith in a reasonable, business-like manner, or for using the problem resolution procedure. If a situation occurs when an associate believes that a condition of employment or a decision affecting them is unjust or inequitable, they are encouraged to make use of the following steps. The associate may discontinue the procedure at any step.

Problem Resolution Procedure

Associate presents problem to immediate supervisor after incident occurs. If a supervisor is unavailable, or associate believes it would be inappropriate to contact that person, associate may present problem to **Division Manager**.

Supervisor responds to the problem during discussion or after consulting with appropriate management, when necessary. Supervisor documents the discussion, reviews and considers the problem, and informs the associate of the resultant decision, if any. A copy of the supervisor's written response, if any, will be sent to the **Human Resource Coordinator** for placement into the associate's personnel file.

If the associate and the supervisor are unable to resolve the problem, they will present the problem and the relevant written documentation of the previous discussion to the appropriate **Division Manager**.

Division Manager reviews and considers the problem, and informs the associate of the resultant decision. A copy of the **Division Manager's** written response will be sent to the **Human Resource Coordinator** for placement into the associate's personnel file.

Not every problem can be resolved to everyone's total satisfaction, but only through mutual understanding and discussion of problems can associates and management develop confidence and trust in each other. This confidence is important to the operation of an efficient and harmonious work environment, and helps to ensure everyone's job security. This policy is a guideline for problem resolution, if the associate feels that they would benefit by discussion of any problem with the **President** or **Principals**, our open door policy still exists.

Benefits

35) Associate Benefits

Eligible associates at J. F. Smith are provided a wide range of benefits. A number of the programs (such as social security, workers' compensation, state disability, and unemployment insurance) cover all associates in the manner prescribed by law.

Benefits eligibility is dependent upon a variety of factors, including associate's Employment Category classification (see Section 8, above). Your supervisor can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the associate handbook.

The following benefits are available to eligible associates:

- Vacation
- Holidays
- Major Medical Insurance
- Worker's Compensation Insurance
- Sick Leave
- Bereavement Leave
- Jury Duty
- Dental Insurance
- Life Insurance
- Medical Leave
- Family Leave
- Personal Leave
- Military Leave
- Pregnancy Leave

a. Vacation Benefits

Vacation time-off, with pay, is available to eligible associates to provide opportunities for rest, relaxation, and personal pursuits. Associates in the following classifications are eligible to earn and use vacation time as described in policy.

Regular full-time associates

The amount of paid vacation time associates receive each year increases with the length of their employment as shown in the following schedule:

35.a.1: Vacation Vesting Schedule	
Eligible Time in Service	Vacation Days Each Year (Working Days)
After 1 year	5 days
After 2 years	10 days
After 5 years	15 days
After 10 years	20 days
After 15 years	25 days
After 20 years	30 days

The length of eligible service is calculated on the basis of a “benefit year”. This is a twelve (12) month period that begins when the associate becomes a regular full-time associate. An associate’s benefit year may be extended for any significant leave of absence except military leave of absence. Military leave has no effect on this calculation. (See individual leave of absence policies for more information.)

After associates enter an eligible employment classification, they begin to earn paid vacation time according to the schedule; earned vacation time is available for use in the year following its accrual.

Paid vacation time can be used in minimum increments of one day. To take vacation time, associates should request advance approval from their supervisors **and the Human Resources Coordinator**. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. Maximum vacation leave period at any one vacation shall not exceed ten (10) working days.

Vacation time off is paid at the associate’s base pay rate at the time of vacation. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

As stated above, associates are encouraged to use available paid vacation time for rest, relaxation, and personal pursuits. In the event that available vacation is not used by the end of the benefit year, **associates will forfeit the unused time unless the time was unused at the request of the associate’s supervisor**, then unused time will be carried over to the next year.

Upon termination of employment, associates will be paid for unused vacation time that has been earned through the last day of work.

b. Holidays

J. F. Smith will grant, with pay, holiday time-off to all regular full-time associates, that have met the requirements listed below, on the holidays listed below:

New Year's Day	January 1
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Thanksgiving	Fourth Thursday in November
Day after Thanksgiving	Fourth Friday in November
Christmas	December 25

J. F. Smith will grant paid holiday time-off to all regular time associates who have completed ninety (90) calendar days of service in an eligible employment classification. Holiday pay will be calculated based on the associate's straight time pay rate (as of the date of the holiday) times the number of straight-time hours the associate would otherwise have worked on that day.

A recognized holiday that falls on a Saturday will be observed on the preceding Friday. A recognized holiday that falls on a Sunday will be observed on the following Monday.

If eligible nonexempt associates work on recognized holidays, they will receive holiday pay plus wages at their half-time rate for hours worked on that holiday.

Paid time-off for holidays will not be counted as hours worked for purposes of determining overtime.

c. Health Insurance

Health insurance, also known as medical insurance, is currently available to Regular Full-Time employees in a program, administered by J. F. Smith's insurance carrier, in which J. F. Smith pays one-half (50%) of the weekly insurance premium, for the employee only, and the employee pays, through weekly payroll deductions, the remaining one-half (50%) of the employee's premium. In order to be eligible for the benefit, an employee has to complete the introductory period of employment of ninety (90) days and their employment status must be converted, with the relevant Supervisor's approval, from "introductory" to "regular". Employees may elect to place their eligible spouses or children into the program, but the employee will bear the full (100%) cost of that coverage which will be deducted weekly from the employee's compensation. This benefit is entirely dependent upon the yearly acceptance of the proposed policy and rates by the **Principal** of J. F. Smith. If the

relevant insurance carrier proposes a policy or premium structure that is unacceptable to J. F. Smith, then the benefit will be terminated.

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives associates and their qualified beneficiaries the opportunity to continue health insurance coverage under J. F. Smith's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an associate; a reduction in associate's hours or a leave of absence; an associate's divorce or legal separation; a dependent child no longer meeting eligibility requirements.

Under COBRA, the associates or beneficiary pays the full cost of coverage at J. F. Smith's group rates plus an administration fee. J. F. Smith provides each eligible associate with a written notice describing rights granted under COBRA when associate becomes eligible for coverage under J. F. Smith's health insurance plan. The notice contains important information about the associate's rights and obligations.

d. Workers' Compensation Insurance

J. F. Smith provides a comprehensive workers' compensation insurance program at no cost to associates. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance provides benefits after a short waiting period or, if the associate is hospitalized, it provides benefits immediately.

Associates who sustain work-related injuries or illness must inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This enables an eligible associate to qualify for coverage as quickly as possible, and it enables J. F. Smith to fulfill requirements of law.

Neither J. F. Smith nor its insurance carrier will be liable for payment of workers' compensation benefits for injuries that occur during an associate's voluntary participation in an off-duty recreational, social, or athletic activity sponsored by, or on behalf of, J. F. Smith.

e. Sick Leave Benefits

J. F. Smith provides paid sick-leave benefits to all eligible associates for periods of temporary absence due to illness or injuries .

Regular full-time associates

Eligible associates will accrue sick-leave benefits at the rate of 6 days per year (1/2 day for every full month of service.). **Part-time, introductory, and temporary employees will not accrue sick leave.** Sick leave benefits are calculated on the

basis of a “benefit year”, the twelve (12) month period that begins when the associate starts to earn sick-leave benefits. As an example, an associate that successfully transfers from introductory” status to “regular full-time” status will begin earning sick-leave benefits from the date of transfer. It will take a minimum of fifteen (15) months of employment to earn one “benefit year” of sick leave.

Paid sick-leave can be used in minimum increments of one-half day. Eligible associates may use sick-leave benefits for absences due to their own illness or injury or an illness or injury of a family member who resides in the associate’s household.

Associates who are unable to report to work due to illness or injury should notify their direct supervisor before the scheduled start of their work day if possible. The direct supervisor must also be contacted prior to each additional day of absence.

Sick-leave benefits will be calculated based upon the associate’s base pay rate at the time of absence and will not include any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

As an additional condition of eligibility for sick-leave benefits, an associate on an extended absence must apply for any other available compensation benefits, such as workers’ compensation. Sick-leave benefits will be used to supplement any payments that an associate is eligible to receive from state disability insurance, workers’ compensation or J. F. Smith provided disability insurance programs. The combination of any such disability payments and sick leave benefits cannot exceed an associate’s normal weekly earnings.

Unused sick-leave benefits will be allowed to accumulate until the associate has accrued a total of nine (9) calendar day’s worth of sick-leave benefits. Half of any accrued sick days may be taken as personal days if the associate’s benefits reach maximum allowed per this benefits-program. Further accrual of sick-leave benefits will be suspended until the associate has reduced the balance below the limit. Sick-leave benefits are intended solely to provide income protection in the event of illness or injury. **Unused sick-leave benefits will not be paid to associates while they are employed or upon termination of employment.**

f. Bereavement Leave

Associates who wish to take time-off due to the death of an immediate family member should notify their supervisor immediately. Bereavement-leave may not be used for any other absence.

Up to three days of paid bereavement-leave will be provided to eligible associates in the following classifications:

Regular full-time associates

Bereavement pay is calculated based on the pay rate at the time of absence and will not include any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

Associates may, with their supervisor's approval, use any available paid leave including sick-pay for additional time off as necessary.

J. F. Smith defines "immediate family" as the associate's spouse, parent, child, or sibling; the associate's spouse's parent, child, or sibling; the associate's child's spouse; the associate's grandparents or grandchildren. Special consideration will also be given to any person whose association with the associate was similar to any of the above relationships.

g. Jury Duty

J. F. Smith encourages associates to fulfill their civic responsibilities by serving jury duty when required. Associates in an eligible classification may request up to one week of paid jury duty leave over one year period. Jury duty leave may not be used for any other absence.

Jury duty pay will be calculated on the associate's base pay rate times the number of hours the associate would otherwise have worked on the day of absence less pay from court. Associate classifications that qualify for paid jury duty leave are:

Regular full-time associates

If associates are required to serve jury duty beyond the period of paid jury duty leave, they may request an unpaid jury duty leave of absence.

Associates must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, associates are expected to report for work whenever the court schedule permits.

Either J. F. Smith or the associate may request an excuse from jury duty if, in J. F. Smith's judgment, the associate's absence would create serious operational difficulties.

J. F. Smith will continue to provide health insurance benefits until the end of the month in which the unpaid jury duty leave begins. At that time, associates will become responsible for the full costs of these benefits if they wish coverage to continue. When associate returns from jury duty, benefits will again be provided by J. F. Smith according to the applicable plans.

Benefit accruals, such as vacation, sick-leave or holiday benefits, will be suspended during unpaid jury duty leave and will resume upon return to active employment.

h. Dental Insurance

Dental insurance is currently available to Regular Full-Time employees in a program, administered by J. F. Smith's insurance carrier, in which J. F. Smith pays one-half (50%) of the weekly insurance premium, for the employee only, and the employee pays, through weekly payroll deductions, the remaining one-half (50%) of the employee's premium. In order to be eligible for the benefit, an employee has to complete the introductory period of employment of ninety (90) days and their employment status must be converted, with the relevant Supervisor's approval, from "introductory" to "regular". Employees may elect to place their eligible spouses or children into the program, but the employee will bear the full (100%) cost of that coverage which will be deducted weekly from the employee's compensation. This benefit is entirely dependent upon the yearly acceptance of the proposed policy and rates by the **Principal** of J. F. Smith. If the relevant insurance carrier proposes a policy or premium structure that is unacceptable to J. F. Smith, then the benefit will be terminated.

i. Life Insurance

J. F. Smith will provide and pay for a life insurance policy for each Regular full-time employee that requests to be added to our group policy. The current policy value is \$10,000.00 per employee. This benefit is entirely dependent upon the yearly acceptance of the proposed policy and rates by the **Principal** of J. F. Smith. If the relevant insurance carrier proposes a policy or premium structure that is unacceptable to J. F. Smith, then the benefit will be terminated.

j. Medical Leave

J. F. Smith provides medial leave-of-absence without pay to eligible associates who are temporarily unable to work due to serious health condition or disability. For purposes of this policy, serious health conditions or disabilities include in-patient care in a hospital, hospice or residential medical care facility; continuing treatment by health care provider, and temporary disabilities associated with pregnancy, childbirth, and related medical conditions.

Associates in the following employment classification are eligible to request medical leave as described in this policy.

Regular full-time associates

Eligible associates may request medical leave only after having completed 365 calendar days of service. Exceptions to the service requirements will be considered to accommodate disabilities. Eligible associates should make request for medical leave to their supervisor at least thirty (30) days in advance of foreseeable events and as soon as possible for unforeseeable events.

A health care provider's statement must be submitted verifying the need for medical leave and its beginning and expected ending dates. Any changes in this information

should be promptly reported to J. F. Smith. Associates returning from medical leave must submit a health care provider's verification of their fitness to return to work.

Eligible associates are normally granted leave for the period of the disability, up to a maximum of twelve (12) weeks within any twelve (12) month period. Any combination of medical leave and family leave may not exceed this maximum limit. Associates will be required to first use any accrued paid leave time before taking unpaid medical leave.

Associates who sustain work-related injuries are eligible for medical leave-of-absence for the period of the disability in accordance with all applicable laws covering occupational disabilities.

Subject to the terms, conditions, and limitations of the applicable plans, J. F. Smith will continue to provide health insurance benefits for the full period of the approved medical leave.

Benefit accruals, such as vacation, sick-leave, and holiday benefits, will continue during the approved medical leave period.

So that an associate's return to work can be properly scheduled, an associate on medical leave will provide J. F. Smith with at least two weeks advance written notice of the date the associate intends to return to work. When medical leave ends, the associate will be reinstated to the same position, if it is available, or to an equivalent position for which the associate is qualified.

If associate fails to report to work at the end of medical leave, J. F. Smith will assume that the associate has resigned.

k. Family Leave

J. F. Smith provides family leave-of-absence without pay to eligible associates who wish to take time off from work duties to fulfill family obligations relating directly to childbirth, adoption, or placement of a foster child, or to care for a child, spouse, or parent with serious health condition. A serious health condition means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential medical care facility; or continuing treatment by a health care provider.

Associates in the following classification are eligible to request family-leave as described in this policy:

Regular full-time associates

Eligible associates may request family-leave only after having completed 365 calendar days of service. Eligible associates should make requests for family-leave

to their supervisor at least thirty (30) days in advance of foreseeable events and as soon as possible for unforeseeable events.

Associates requesting family-leave related to serious health condition of a child, spouse, or parent may be required to submit health care provider's statement verifying the need for family-leave to provide care and to estimate the beginning and expected end dates of the leave.

Eligible associates may request up to twelve (12) weeks of family-leave within any twelve (12) month period. Any combination of family-leave and medical-leave may not exceed this maximum limit. Associates will be required to first use any accrued paid leave time before taking unpaid family leave. Married associates and couples may be restricted to a combined total of twelve (12) weeks leave within any twelve (12) month period of childbirth, adoption, or placement of a foster child; or to care for a parent with serious health condition.

Subject to the terms, conditions, and limitations of the applicable plans, J. F. Smith will continue to provide health insurance benefits for the period of the approved family-leave. Benefit accruals, such as vacation, sick-leave, and holiday benefits will continue during the approved family-leave period.

So that an associate's return to work can be properly scheduled, an associate on family-leave will provide J. F. Smith with at least two weeks advance written notice of the date the associate intends to return to work. When family-leave ends, the associate will be reinstated to the same position, if it is available, or to an equivalent position for which the associate is qualified.

If an associate fails to report to work at the end of family leave, J. F. Smith will assume that the associate has resigned.

1. Personal Leave

J. F. Smith provides leave-of-absence without pay to eligible associates who wish to take time off from work duties to fulfill personal obligations. J. F. Smith does not guarantee reinstatement. Associates in the following classification are eligible to request personal leave as described in this policy:

Regular full-time associates

Eligible associates may request personal-leave only after having completed 365 calendar days of service. As soon as eligible associates become aware of the need for a personal leave-of-absence, they should request a leave from their supervisor.

Personal-leave may be granted for a period of up to ninety (90) calendar days every two years. With the supervisor's approval, an associate may take any available sick-leave or vacation-leave as part of the approved period of leave.

Request for personal-leave will be evaluated on a number of factors, including anticipated work load requirements and staffing considerations during the proposed period of absence.

Subject to the terms, conditions, and limitations of the applicable plans, health insurance benefits will be provided by J. F. Smith until the end of the month in which the approved personal-leave begins. At that time, associates will become responsible for the full costs of these benefits if they wish coverage to continue. When the associate returns from personal-leave, benefits will again be provided by J. F. Smith according to the applicable plans.

If an associate fails to report to work at the expiration of the approved leave period, J. F. Smith will assume the associate has resigned.

m. Military Leave

A military leave-of-absence will be granted to associates, except those occupying temporary positions, to attend scheduled drills or training or if called to active duty with the U. S. armed services.

The leave will be unpaid; however, associates may use paid time-off for the absence.

Subject to the terms and limitations of the applicable plans for which the associate is otherwise eligible, health insurance benefits will be provided by J. F. Smith until the end of the month in which military leave begins. At that time, associates will become responsible for the full cost of these benefits if they wish coverage to continue. When associate returns from military-leave, benefits will again be provided by J. F. Smith according to the applicable plans.

Associates on two-week active duty training assignments or inactive duty training drills are required to return to work for the first regularly scheduled shift after end of training, allowing reasonable travel time. Associates on longer military leave must apply for reinstatement in accordance with all applicable state and federal laws.

Every reasonable effort will be made to return eligible associates to their previous position or a comparable one. They will be treated as though they were continuously employed for purposes of determining benefits based on length of services, such as the rate of vacation accrual and job seniority rights.

n. Pregnancy-Related Absences

J. F. Smith will not discriminate against any associate who requests an excused absence for medical disabilities associated with pregnancy. Such leave request will be made and evaluated in accordance with the medical leave policy provisions

outlined in this handbook and in accordance with all applicable federal and state laws.

Requests for time-off associated with pregnancy and/or childbirth (apart from medical disabilities associated with these conditions) will be considered in the same manner as any other request for unpaid personal or family-leave.

Travel & Expenses

36) Business Travel Expenses

J. F. Smith will reimburse associates for reasonable business travel expenses incurred while on assignments away from normal work location. All business travel must be approved in advance by an immediate supervisor. Associates whose travel plans have been approved should make travel arrangements through J. F. Smith's designated travel agent.

When approved, the actual cost of travel, meals, lodging and other expenses directly related to accomplishing business travel objectives will be reimbursed by J. F. Smith. Associates are expected to limit expenses to reasonable amounts.

Associates who are involved in an accident while traveling on business must promptly report the incident to their immediate supervisor. **Vehicles owned, leased, or rented by J. F. Smith may not be used for personal use without prior approval.**

When travel is completed, associates should submit completed travel expense reports within seven days. Reports should be accompanied by receipts for all individual expenses.

Associates should contact their supervisor for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursements for specific expenses, or any other business travel issues.

Abuse of this business travel expense policy, including falsifying expense reports to reflect costs not incurred by an associate, can be grounds for disciplinary action, up to and including termination of employment.

37) Per Diem Policy

Company associates assigned to projects out of the local area shall be compensated for expenses as follows:

- a. **Local area:** any project that is within a 160 mile round trip driving distance of the associate's home.

1. **Per Diem:** Associates assigned to out-of-local-area projects and who do not commute daily shall be paid on a per diem basis at the rate of 25.00 per day. If the project schedule prohibits the assigned associate from returning to their home on the weekend, then per diem shall be paid for weekend days as well.
2. **Housing** – J. F. Smith shall pay the cost of a moderate single occupancy motel unit for the superintendent and management or, at its discretion, a furnished apartment unit** as defined below. Other associates shall be lodged in a double occupancy motel unit. The associate is responsible for any personal long distance phone calls. All costs associated with housing must be approved by the relevant **Project Manager** prior to commitment.

**Furnished apartment unit and associated cost: A median type one or two bedroom apartment (second bedroom for use by management on jobsite visits) with furnishings rental (if one bedroom apartment, provide sofa bed for use by management) to include cost of electricity, water, telephone, and basic cable television.

- b. **Transportation** – Transportation cost to and from the jobsite to the local associate's home shall be paid by the company as follows:

1. Company vehicle and/or car allowance:

- i. If the project is within driving distance (600 miles round trip or less of the associate's home) the company will pay for mileage at the per mile rate in accordance with the current vehicle policy for trips to and from associate's home each weekend.
- ii. If the distance is greater than 600 mile round trip and project duration is longer than (3) three weeks, the company shall pay to fly (coach status) the associate back to the nearest major commercial airport to his home and return to his out-of-town project every other weekend. All airline tickets shall be purchased 14 days in advance of travel to secure a "super saver" rate, unless otherwise approved by project manager.
- iii. The Project Manger, Executive Vice President and President are encouraged to spread out their visits to maximize coverage of management team.

2. Associate furnished vehicle

If an associate, who is not furnished a company vehicle nor given a car allowance, is assigned to a project located more than 100 miles round trip (shortest driving distance) then it will be a the discretion of the Project Manager, with a maximum of \$.45 per mile for each mile over 100 miles round trip.

- c. **Relocation** – (moving primary residence) – if the local associate decides, and the company approves, to relocate permanently or temporarily to an out-of-town J. F. Smith project, then the company shall pay the cost of his moving expenses to and

from his new assignment. The subsistence allotment shall not be paid to an out-of-local area project. That project shall be considered within their local area.

38) Vehicle Allowance Policy

An “allowance plus mileage rate” shall be paid for all business use of personal vehicles with approval by the relevant **Division Manager**. To receive this allowance, the associate must agree to certain conditions and responsibilities on behalf of the company:

1. Superintendents are required to provide a pick-up, or panel van, to enable them to haul personnel, materials, debris, equipment, tools, and supplies to and from the jobsite as required.
2. Project Managers must provide a four-passenger vehicle
3. Each vehicle must be clean, well maintained and kept in good safe repair and without body damage.
4. The associate must provide the company with a copy of:
 - a. Driver’s license
 - b. Certificate of insurance for vehicle with the minimum insurance coverage \$100,000/500,000 bodily injury, \$50,000 property damage, \$100,000/500,000 uninsured motorist.
5. The vehicle may not be more than 5 model years old. If the vehicle is more than 5 model years old and if it’s still in acceptable condition, subject to your supervisor’s approval, the driver will receive a \$300.00 monthly allowance. If it is over 10 model years old, the driver will not receive an allowance for its use.
6. Business mileage shall be reported on a weekly basis. This information shall be provided on a company provided form.

Income Tax laws require the company to include all vehicle allowance payments on a 1099 Form, as these payments are considered income. It will be up to the driver to keep track of their actual mileage cost and other expenses for reporting on their personal Tax Return.

Allowances are as follows: Superintendents – 425.00 per month
Project Managers – 550.00 per month

Those driving their personal vehicle shall receive the published rate in effect per mile reimbursement. This reimbursement is in lieu of issuing gas credit cards.

These allowances are intended to cover the cost of a vehicle, all repairs, maintenance and insurance costs. They are based on owning a vehicle for no longer than 5 model years. The allowances do not include gasoline cost.

When a company vehicle is marked for selling, the driver shall be given the opportunity to purchase the vehicle and thereafter the appropriate monthly allowance. If the driver does not wish to purchase his vehicle, management shall publish to associates first and then advertise the vehicle “for sale”

This policy shall be reviewed and amended as necessary on a periodic basis.

For personnel who do not fall under the current vehicle policy, and occasionally use their vehicle for company use, they shall receive an allowance per mile as published.

Payroll & Personnel Files

39) Payroll

a) Working Hours and Schedule

J. F. Smith’s work hours in the field are normally from 7:00 a.m. to 5:30 p.m., Monday through Friday. Construction Superintendents and others may have different set hours. You will be assigned a work schedule and you will be expected to begin and end work according to the schedule. In order to accommodate the needs of our business, it may be necessary to change individual work schedules on either a short-term or long-term basis.

Nonexempt associates will be given a 30-minute meal period, to be taken approximately in the middle of the workday, and that time will be deducted from the associate’s reported hours (non-reportable time). Nonexempt associates must also take a 15-minute rest period for each four hours of work or major portion thereof as scheduled by their supervisor, and time will be compensated to the associate by the company (reportable time).

At times, emergencies such as power failures, road closings, fires, or severe weather may interfere with our operations. In such an event, there may be a temporary shutdown of part or all of the company operations or cancel work on a particular project. Depending on the circumstances, time-off may or may not be paid.

b) Timekeeping Procedures

Nonexempt employees must record their actual time worked for payroll and benefit purposes. Nonexempt team members should record the time work begins and ends, as

well as the beginning and ending time of each meal period. Nonexempt team members must also record any departure from work for any non-work-related reason.

Altering, falsifying, and tampering with time records, or recording time on another team member's time record is prohibited and subject to disciplinary action, up to and including termination of employment.

Exempt team members may also be required to record their time worked and report full days of absence from work for reasons such as leaves of absence, sick leave, or personal business.

It is your responsibility to sign your time record to certify the accuracy of all time recorded. Any errors in your timecard should be reported immediately to your supervisor who will attempt to correct legitimate errors.

The **Division Manager** will verify and sign off on a team member's time sheet.

c) **Overtime**

When building schedules or other needs cannot be met during regular working hours, you may be scheduled to work overtime. All overtime work must be authorized in advance by the **Division Manager**. Working overtime without prior authorization may result in disciplinary action. Nonexempt Team Members will be paid time and one-half compensation for all hours worked excess of 40 hours in one workweek and as otherwise required by state and federal law. Exempt Team Members are expected to work as much of each workday as is necessary to complete their job responsibilities. No overtime or additional compensation is provided to exempt Team Members.

d) **Payment of Wages**

Paydays are normally on Friday after 4:00 pm for work performed during the previous one-week pay period. In the event an employee is terminated or resigns from J. F. Smith, that employee's paycheck for the last work period will be available on the Friday of the following week as per the normal paycheck issuance schedule. Paychecks are available at the Main Office (Pine Island) after 4:00 PM on Friday afternoon. If employees desire their check be delivered to their particular jobsite location, their Supervisor may arrange such delivery for the following Monday, at the Supervisor's sole discretion. Employees not having ready access to the Main Office may elect to have their checks mailed to their address on Friday via regular United States Postal Service. Employees will not be compensated for time or expenses involved with traveling to the Main Office on Friday afternoon for the purpose of obtaining their check. Employees should not use company vehicles or assets in traveling to the Main Office solely to acquire their check.

If a regular payday falls on a holiday, Team Members will be paid on the preceding workday.

If there is an error in your check, please report it immediately to your supervisor or your **Division Manager**. No one other than the Team Member to whom the paycheck

is written will be allowed to pick up a paycheck unless written authorization has been given for another person to do so.

e) “Show-up” Compensation

A Team Member who is requested to report to work but is sent home early without working one-half of the Team Member's usual or regularly scheduled daily hours may be entitled to reporting pay, in accordance with state law.

f) Salary Pay Policy

Exempt team members will be paid a salary in accordance with applicable law. Although exempt Team Members are generally entitled to their salary for any week in which work is performed, deductions can and will be made when permitted by law. For example, an exempt Team Member's salary may be reduced for complete days of absence for personal reasons and incomplete initial or final weeks of work. There may also be other occasions when an exempt Team Member's salary may be reduced. Please contact your Division Manager or a Principal for more information.

g) Salary Advances and Loans

Salary advances and loans will not be authorized.

h) Wage Garnishments

J. F. Smith would like to avoid incurring the administrative costs of garnishments and wage assignments for team members. Accordingly, all team members are encouraged to meet their financial obligations without involving the company. Nonetheless, we will adhere to legally imposed wage assignments and garnishments, and will not modify the terms of those legal arrangements unless so ordered by the appropriate judicial authority. The administrative costs of complying with wage assignment and garnishment orders, up to the amount allowed by statute will be deducted from the associate's compensation.

i) Business Expense Reimbursement

Associates may be reimbursed for reasonable expenses incurred in the course of business. These expenses may include air travel, hotels, motels, meals, cab fare, rental vehicles, or gas and car mileage for personal vehicles. All expenses incurred should be submitted to the company along with the receipts within seven (7) days of the date of the expenditure.

Team Members are expected to exercise restraint and good judgment when incurring expenses. Team Members should contact their **Division Manager** in advance if they have any question about whether an expense will be reimbursed.

40) Administrative Pay Corrections

J. F. Smith takes all reasonable steps to ensure that associates receive the correct amount of pay each paycheck, and that associates are paid promptly on the scheduled payday. In the unlikely event that there is an error in the amount of pay, the associate should promptly bring discrepancy to the attention of the **Payroll Department** so that corrections can be made as quickly as possible.

41) Access to Personnel Files

J. F. Smith maintains a personnel file on each associate. The personnel file includes such information as the associate's job application, resume, records of training, documentation of performance appraisals and salary increases, and other pertinent records. Personnel files are the property of J. F. Smith, and access to information they contain is restricted. Generally, only supervisors and management personnel of J. F. Smith who have legitimate reason to review information in a file are allowed to do so.

Associates who wish to review their own file should contact the **President** and/or CEO. With reasonable advance notice, associates may review their own personnel files in J. F. Smith's offices and in the presence of an individual appointed by J. F. Smith to maintain files. J. F. Smith will cooperate with law enforcement officials or local, state, or federal agencies and provide access to your file as applicable with the relevant law.

42) Personnel Data Changes

It is the responsibility of each associate to promptly notify J. F. Smith of any changes in personnel data. Personal mailing address, telephone numbers, number and names of dependents, emergency contacts, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed notify the Human Resources Coordinator.

Termination

43) Employment Termination

Below are examples of some of the most common circumstances under which employment is terminated:

Resignation: Voluntary employment termination initiated by an associate.

Discharge: Involuntary employment termination initiated by the organization.

Layoff: Involuntary employment termination initiated by the organization for non-disciplinary reasons.

Retirement: Voluntary employment termination initiated by the associate meeting age, length of service, and any other criteria for retirement from the organization.

Since employment with J. F. Smith is based on mutual consent, both the associate and J. F. Smith have the right to terminate employment at will, with or without cause, at any time. Associate benefits will be affected by employment termination in the following manner. All accrued, vested benefits that are due and payable at termination will be paid. Some benefits may be continued at the associate's expense if the associate so chooses. The associate will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

44) Return of Property

Associates are responsible for all property, materials, or written information issued to them or in their possession or control. All J.F. Smith property must be returned by associates on or before their last day of work. Where permitted by applicable laws, J.F. Smith may withhold from associates check or final paycheck the cost of any items that are not returned when required. J.F. Smith may also take all action deemed appropriate to recover or protect its property.

45) Employee Property

Employees should not bring valuables to work. If they decide to do so, all valuables should be kept in a secure location. The company assumes no responsibility for the loss, theft, or damage of associate's personal property

**Current END of J. F. Smith Policy Manual
June 14, 2006**



Acknowledgement Form
(COPY)

The associated handbook describes important information about J. F. Smith, Building Contractors, Inc. (J. F. Smith), and I understand that I should consult my supervisor regarding any questions not answered in the handbook. I have entered into my employment relationship with J. F. Smith voluntarily, and I acknowledge that there is no specified length of tenure at J. F. Smith. Accordingly, either I, or J. F. Smith can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except to the J. F. Smith policy of “employment-at-will”. All such changes will be communicated through official notices, and I understand that the revised information may supersede, modify, or eliminate existing policies. Only the Principals of J. F. Smith have the ability to adopt any revisions to the policies in this handbook.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

Employee expressly acknowledges that he or she has read, and does understand, Section 9 of the accompanying Employee Handbook. Employee acknowledges that termination of employee’s employment by either the employee or J. F. Smith, prior to the completion of the ninety (90) day introductory period, as referenced in Section 9 of the accompanying Employee Handbook, will preclude the employee from collecting Unemployment Compensation based upon his or her employment period with J. F. Smith.

Employee’s Signature

Date

Employee’s Name (Printed)