

## Employee Conduct and Performance Counseling

### Employee Conduct

To assure efficient operations and provide the best possible work environment, the Company expects employees to follow generally accepted standards of behavior. Violation of these standards can result in disciplinary action, up to and including discharge. Any employee, whose conduct, actions or performance violates or conflicts with Company policies or threatens the well being of the Company or any employee, may be terminated immediately and without warning.

Employees' conduct should reflect credit on themselves and the Company, consistent always with the need for safe and efficient operation of the Company's business.

- a. The makeup of such conduct cannot be itemized, but it will include:
  - Reporting to work punctually as scheduled and being at the proper work station, ready for work, at the assigned starting time;
  - Giving proper advance notice whenever unable to work or report on time;
  - Complying with all Company safety and security regulations;
  - Not smoking in unauthorized areas;
  - Wearing clothing appropriate for the work being performed;
  - Eating meals only during meal periods and only in the designated eating areas;
  - Maintaining work place and work area cleanliness and orderliness;
  - Treating all customers, visitors, and coworkers in a courteous manner;
  - Refraining from behavior or conduct deemed offensive or undesirable, or which is contrary to the Company's best interests;
  - Performing assigned tasks efficiently and in accordance with established quality standards;
  - Reporting to management Suspicious, unethical, or illegal conduct by coworkers, customers, or suppliers; and
  - Cooperating with Company investigations.
  
- b. The following conduct is prohibited and will subject the individual involved to disciplinary action, up to and including termination:
  - Reporting to work under the influence of alcoholic beverages and/or illegal drugs and narcotics or the use, sale, dispensing, or possession of alcoholic beverages and/or illegal drugs and narcotics on Company premises;
  - The use of profanity or abusive language;
  - The possession of firearms or other weapons on Company property, excluding the employee parking lot and including all areas inside the security gate;
  - Insubordination or the refusal by an employee to follow management's instructions concerning a job-related matter;
  - Fighting or assault on a fellow employee or customer;
  - Theft, destruction, defacement, or misuse of Company property or of another employee's or customer's property;

- Gambling on Company property;
  - Falsifying or altering any Company record or report, such as an application for employment, a medical report, a production record, a time record, an expense account, an absentee report, or shipping and receiving records;
  - Threatening of coworkers, security guards, customers or guests;
  - Smoking in undesignated areas;
  - Excessive horseplay, pranks, or practical jokes;
  - unauthorized sleeping on the job;
  - Failure to wear assigned safety equipment or failure to abide by safety rules and policies;
  - Improper attire or inappropriate personal appearance;
  - Engaging in any form of sexual or other harassment;
  - Violation of Company's policies on solicitation or distribution; and
  - Improper disclosure of trade secrets or confidential information;
  - Improper personal or business use of any Company electronic communication devices including telephones, computers or computer software (including improper e-mails internet access).
- c. The examples in Comment (b), above, are illustrative of the type of behavior that will not be permitted, but are not intended to be an all-inclusive listing. Any violation of the Company's policies or any conduct considered inappropriate or unsatisfactory may, at management's discretion, subject the employee to disciplinary action up to and including termination.

### **Performance Counseling**

The Company has established and maintains standards of employee conduct and supervisory practices that will, in the interest of the Company and its employees, support and promote effective business operations. Such supervisory practices include administering consistent corrective action when employee conduct or performance problems arise.

All employees are expected to meet the Company's standards of work performance. Work performance encompasses many factors, including attendance, punctuality, personal conduct, job proficiency and general compliance with Company policies and procedures. If an employee does not meet these standards, the Company will take corrective action.

The intent of corrective action is to formally document problems while providing the employee with a reasonable time within which to improve performance. The process is designed to encourage development by providing employees with guidance in areas that need improvement such as poor work performance, attendance problems, personal conduct, general compliance with the Company's policies and procedures and/or other disciplinary problems.

## Performance Counseling Steps

Management reserves the right to take any disciplinary action it deems appropriate in light of the facts and circumstances. Such steps may include, but may not be limited to:

### a. Oral Counseling

For infractions the Company deems to be minor, an oral warning will be issued to the employee which will be documented on the Performance Counseling Notice, or a comparable notice for oral counseling, and acknowledged by the employee and supervisor.

### b. Written Counseling Notice

For repeated minor violations, or a more serious infraction, the employee will be issued a written counseling notice. The supervisor may take steps to discharge the employee if the situation does not improve within a reasonable time.

The written counseling notice will be prepared prior to a corrective action discussion with the employee. The employee will be given an opportunity to comment, and will be asked to sign the notice; acknowledging receipt and understanding of the issue.

Documentation of corrective performance counseling action will become part of the employee's personnel record for a period of 24 months.

### c. Discharge

For infractions Management considers sufficiently serious, or continued failure to respond appropriately to prior performance counseling, discharge is appropriate.

Serious infractions leading to termination would include such acts as theft, falsification of time cards, alcohol or illegal drug use on the job, fighting and insubordination. For purposes of this policy, *Insubordination* is generally defined as refusal to follow a valid direct order from a supervisor, unruly behavior toward a supervisor, or deliberate non-compliance with prescribed policies and procedures. Any action considered a violation of federal or state laws will be cause for immediate termination.

These examples are intended to be representative of the types of activities that may result in disciplinary action. They are not intended to be comprehensive, and do not change the employment-at-will relationship between the employee and the Company.