

# EMPLOYEE HANDBOOK

SOUTHAM AND ASSOCIATES & UNEEKE MANUFACTURING | LATEST REVISION, JANUARY, 2022

## INTRODUCTION

### *Welcome and Purpose*

This handbook is designed to acquaint employees with Southam and Associates Inc., Inc. and provide general information about working conditions, benefits, and policies.

The information contained in this handbook applies to all employees of Southam and Associates Inc., Inc.

Following the policies detailed within the handbook is considered a condition of continuous employment. The contents of this manual shall not constitute nor be construed as a promise of employment or as a contract between the Company and any of its employees. The handbook is a summary of our policies, which are presented here only as a matter of information.

Each employee is responsible for reading, understanding and complying with the provisions of this handbook.

Our objective is to provide employees with a work environment that is constructive to both personal and professional growth.

## HISTORY AND MANAGEMENT

### *Introduction*

Southam and Associates Inc. serves the commercial and residential markets nationwide in the specialty roofing and exterior remodeling sectors.

### *Ron Anderson, CEO*

Ron's passion for growing companies makes him the ideal leader for Southam and Associates. As President of the roofing division of Headwaters Inc., Ron grew his division from \$10 million in annual revenue to \$130 million. In his role as president, Ron was part of the executive team that ultimately sold Headwaters Inc. for \$1.86 billion in 2017. Ron has also recently served in executive leadership roles with ATS ShieldSafe and Nature's Distribution.

Ron has decades of experience as a coach, leader, and trainer. He is committed to safety, and the education of Southam and Associates employees. As an industry leader in Sheet Metal Roofing and Siding, Ron's focus now is to help the Southam's team succeed, both professionally and in their personal lives.

### *Michael Sears, CFO*

Michael brings a background in financial management and compliance to the position of CFO. The majority of Michael's experience is in municipal, state and special purpose government entities, where he has held a variety of Director level and appointed positions. In the private sector, Michael oversaw manufacturing, distribution and retail operations for companies experiencing significant change and growth. His positions as General Manager, President, and CEO ensured that the ultimate success of the company rested with Michael and the teams he created. Michael is committed to ensuring funds are available and the operational framework exists for

Southam's to enjoy a viable future.

### *Kenneth "Tink" Newman, President*

*Tink is the current President of Southam and Associates Inc., Inc. He began working in the metal work industry in 1978. Tink started out as a laborer and worked his way up to the position he holds today. The knowledge he gained and the respect he has earned along the way make Tink a valuable asset to our company.*

## COMPANY INFORMATION

### *Introduction*

This employee manual contains policies for Southam and Associates Inc., Inc. (also referred to as the "Company") which are considered necessary to conduct business professionally and in compliance with all applicable state and federal laws. Each employee of the Company receives a copy of this manual at the beginning of his or her employment and once yearly as updates occur.

No employee manual or handbook can anticipate every circumstance or question about policy. As Southam and Associates Inc., continues to grow, the Company reserves the right to revise, supplement, or rescind any policies or portion of this employee manual from time to time, as it deems appropriate, in its sole and absolute discretion. Employees will be notified of such changes as they occur.

Employees are required to read the entire employee manual upon employment. Should clarification of any policy outlined herein be needed, please consult the department supervisor, human resources, or any company officer. For the Company to ensure the employee's understanding of company procedures and their willingness to comply with the policies outlined herein, Southam and Associates Inc. requires a signature from each employee on the provided acknowledgment sheet.

### *Employee Orientation*

Upon hiring, each employee will complete a new hire onboarding during which company policies, procedures and benefits will be discussed. The employee handbook and safety guidebook will be part of this orientation and the main topics discussed will be included in this handbook for reference.

### *Hours of Operation*

Main office hours for Southam and Associates Inc., are Monday through Thursday from 8:00 AM to 5:00 PM and Friday from 8:00 AM to 12:00 PM. However, the hours of operation will vary according to department and position. Supervisors are responsible for providing specific work schedules which will include break and meal periods. Be aware that work schedules may be changed as project schedule dictates. Any schedule changes will be communicated through the employee's supervisor.

### *Meal and Rest Break Policy*

#### Rest periods

All employees are permitted a 10-minute paid rest break for each four-hour work period. Breaks are not permitted at either the beginning or end of the workday to offset arrival and departure times. Employees who voluntarily work through their rest breaks will not be paid additional compensation.

#### Meal periods

- All employees who work six or more hours in a day are allowed to take an unpaid meal break of 30 minutes.
- Meal breaks are not counted toward hours worked.
- Employees are to be completely relieved from duty during their meal break. If a nonexempt employee is required to perform any work duties while on his or her meal break period, the employee must be compensated

for the time spent performing work duties. The time spent working during the meal break will be counted toward the total hours worked.

#### Enforcement

Supervisors are responsible for the monitoring of meal and rest periods. Employees who fail to return on time from breaks or lunch will be subject to disciplinary action and docking of pay for time missed.

#### *Legal Compliance*

Southam and Associates Inc. complies with all state and federal laws impacting the way business is conducted. Employees of the Company must agree to adhere to this company standard. Supervisors will inform employees of the laws impacting specific jobs and will provide instructions regarding compliance requirements and procedures. No employee is ever required to perform work that they believe is unsafe or to perform work that they think is likely to cause injury or a health risk to themselves or others.

#### *Parking Lot*

Employees of the Company working on crews are asked to park on the west side of the building and leave the front office parking spaces for customers and office employees. Refrain from parking in stalls located directly in front of other complex units that are currently rented to other businesses. Trash and cigarette butts are to be discarded in containers provided for disposal or in the garbage when flammability is not an issue. DO NOT toss trash and/or used cigarettes randomly on the ground or anywhere besides designated containers on company premises. Doing so will result in a warning and/or corrective action if needed.

## RULES AND REGULATIONS

#### *Standard of Conduct*

Southam and Associates Inc. has adopted a Standard of Conduct for all employees in an effort to help foster and maintain good working relationships, promote responsibility, and encourage self-development. Employees can avoid friction, misunderstandings, and disciplinary action by avoiding thoughtless or wrongful acts by following these principles:

1. Demonstrate awareness, diligence, and efficiency for completing job duties, tasks, and responsibilities at work.
2. Abstain from negative behaviors such as the willful refusal to perform work as directed (insubordination).
3. Attentive observation of safety regulations.
4. Practice good housekeeping habits.
5. Immediately report on-the-job injuries or unsafe conditions.
6. Avoid unexcused or excessive absences or tardiness.
7. Notify supervisor or manager within one hour after the scheduled start time on each day of absence.
8. Willingness and ability to work in harmony with others. Show courtesy, respect, and support toward fellow coworkers.
9. Refrain from horseplay, fighting, threatening, intimidating, or coercing others on company premises or job site.
10. Do not bring unauthorized weapons, firearms, or explosives on company premises.  
Respect others by avoiding actions considered as harassment or discrimination against another individual.
11. Be prepared for work by wearing job appropriate clothing and by bringing necessary tools for the job.  
Obtain prior permission to leave work early such as before quitting time, lunch break, or at the end of the day.
12. Keep working environment sanitary and use the provided toilet facilities.
13. Abide by all other commonly accepted reasonable rules of responsible personal conduct.

(Note: This is not an all-inclusive list of Standards of Conduct)

## *Intolerable Offenses*

Certain aspects of employee conduct may be considered intolerable to such an extent as to justify immediate discharge. Intolerable offenses and actions will include but will not be limited to:

1. Dishonesty or falsification in any form or degree.
2. Damage, loss, or destruction of company, employee, or customer property due to theft, willful or negligent acts.
3. Unauthorized possession, removal, or use of property belonging to the company, customer, or other employees.
4. Being under the influence of or possession of alcoholic beverages, intoxicants, or illegal drugs on company premises.
5. Refusal to submit to a drug or alcohol test.
6. Being under the influence of alcohol where the alcohol level is .02 or greater.
7. Safety violations that endanger other employees.
8. Refusal to wear safety equipment.
9. Any act of harassment or violence toward a co-worker or customer.
10. Vehicle violations outlined herein.

(Note: This is not an all-inclusive list of Intolerable Offenses)

# EMPLOYMENT INFORMATION

## *Introduction*

Southam and Associates Inc. makes every effort to treat employees equitably and administer policies and procedures consistently.

## *Reasonable Accommodation*

Employees are entitled to reasonable accommodations under certain circumstances, such as for physical and mental health conditions; for religious beliefs, practices and observances; and for pregnancy, childbirth and related medical issues. Requests for accommodation can be made in writing and submitted to HR. (Managers must be put on notice that, if a worker mentions a condition that might qualify, they should ask if the employee is seeking an accommodation)

## *Yearly Reviews*

Yearly reviews are an important way to motivate employees while allowing management to connect with each member of Southam and Associates. The reviews are to acknowledge accomplishments and contributions as well as evaluate progress and set individual goals. These reviews increase engagement and give the employee the information needed to grow within their position and qualify for advancement and wage increases.

The fundamental components of these reviews are built on the following:

- Communication
- Collaboration and Teamwork
- Problem-solving
- Quality of work
- Attendance and dependability
- Ability to accomplish goals and meet deadlines

Reviews create an opportunity for the employee to ask any questions, make suggestions, and set goals while gaining a clear understanding of the importance of their role within the company and opportunities for advancement.

## *Attendance and Punctuality*

To maintain a productive environment, Southam and Associates Inc. expects employees to be reliable and

punctual. Should an employee need to alter their schedule or leave work for any reason, they are required to notify Tink (President), immediate supervisor, and Human Resources via PRONTO. In cases where an employee may be late to work, notification must be given within fifteen (15) minutes of the employee's scheduled reporting time and must be approved. This includes circumstances where being late is unavoidable or needing to be away from work for part of the day. Employees must also notify Tink (President), immediate supervisor, and Human Resources via PRONTO) before leaving the building or job site.

Employees are required to be punctual when reporting for work. If an employee chooses to ride with the Crew leaders to the jobsite instead of driving their own vehicle, they may do so however, the crew leaders are allowed to wait five minutes for all employees choosing to get a ride after which time they are required to leave and travel to the jobsite. If an employee is left behind due to their tardiness, they will be required to arrange their own transportation to the jobsite and will not be paid for travel time. In addition, if an employee has personal business that has been approved, the employee is required to arrange their own travel to and from the jobsite.

### *No Shows | Job Abandonment*

Employees are required to notify Tink (President), immediate supervisor, and Human Resources via PRONTO if they are unable to attend work due to illness or a family emergency. Failure to notify your immediate supervisor prior to the work day will be considered a no show and will be handled as follows:

- 3 no shows in 6-month period - immediate dismissal
- An employee who is absent from work for two consecutive working days without approval or advance notice shall be considered to have abandoned the position and to have resigned from the company.
- Excessive sick days may require a doctor's note

Poor attendance and excessive tardiness is disruptive. Continual or excessive absences or tardiness may subject an employee to disciplinary action up to and including termination. Failure to call in/report to work will be considered a voluntary resignation. Supervisors will be monitoring all absences.

Utah is an employment-at-will state. While Southam and Associates Inc., Inc. hopes to have a long and profitable relationship with each of its employees, employment with the Company is voluntary and is subject to termination by the employee or the Company at will, with or without cause, and with or without notice, at any time. While the Company may have a disciplinary system in place, this system does not have to be used—the Company may make the decision to terminate without first taking these disciplinary steps. None of the information provided in our policies signifies a contractual agreement or should be interpreted to conflict with, eliminate or modify in any way the employment-at-will status with the Company.

### *Discipline*

Unsatisfactory performance or violations of policies and procedures may result in disciplinary action. The nature of the disciplinary action will depend upon the circumstances of the problem or violation. All employment suspensions are unpaid unless approved otherwise by management.

### *Drug and Alcohol Testing*

Southam and Associates Inc. conducts pre-employment, random, post-accident, and reasonable suspicion drug and alcohol testing. As a condition of employment, employees are required to submit to a pre-employment drug test and sign a consent form for random drug and alcohol testing. Random drug and alcohol testing is done on a monthly basis. Employees who are asked to test will be required to complete the test within one hour of notification. In the event an employee refuses to submit to a drug or alcohol test, the employee willfully self-terminates employment.

In the event of a positive test result, the company may either terminate the employee for violation of the Drug and Alcohol policy or at the company's discretion, the employee will be required to sign a commitment letter and agree to be tested randomly for three (3) consecutive months as a condition of further employment. The

employee may be offered the opportunity to seek treatment as a condition of ongoing employment. Employees working in safety-sensitive positions will be removed from this type of work until the employee submits to several negative drug or alcohol tests and/or shows ongoing participation in treatment courses.

Should another test come back positive, the employee will be terminated and will not be eligible for rehire for a period of at least one year. If the employee is already on a commitment letter, for any reason (not necessarily related to the use of drugs/alcohol or a positive drug or alcohol test), any positive drug or alcohol test result will be grounds for immediate self-termination.

Employees taking medication prescribed by a physician that would impair judgment or performance must report this to his or her supervisor. They may also be required to work with the company drug and alcohol testing provider to determine whether the drug can be combined with the essential job functions of the position.

### *Employment of Relatives*

Family members of employees may be considered for employment. Potential candidates should possess the skills and qualifications required for the position as indicated from the posted job description. Employment of a family member must not create a supervisor/subordinate relationship nor any type of conflict of interest as determined by the president.

### *Equal Employment Opportunity*

The Company provides Equal Employment Opportunities (EEO) to all employees and applicants for employment without regard to race, color, religion, sex, national origin, age, disability, or genetics. In addition to federal law requirements, Southam and Associates Inc. complies with applicable state and local laws governing nondiscrimination in employment in every location in which the company has facilities. This policy applies to all terms and conditions of employment, including recruiting, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training.

Southam and Associates Inc. complies with all ADA requirements and laws. Employees who require reasonable accommodations to perform their job will submit to HR in writing any accommodations needed to perform his/her job fully. Improper interference with the ability of Company employees to perform their job duties may result in discipline up to and including discharge. Southam and Associates Inc. expressly prohibits any form of workplace harassment based on race, color, religion, gender, gender identity or expression, sexual orientation, national origin, age, disability, genetic information, or veteran status.

### *Minimum Age Requirements*

We follow the US Department of Labor's guidelines regarding federal labor child laws. Please refer to the following link for more information: <https://www.dol.gov/general/topic/hiring/workersunder18>

### *Job Postings*

The Company will attempt to fill vacancies from within whenever possible. However, Southam and Associates Inc. reserves the right to fill vacancies from outside the company, without internal posting, when it deems necessary.

### *Motor Vehicle Record Inquiry*

Southam and Associates Inc. requires the employees who drive for company business to maintain a current driver's license and an acceptable driving record. A copy of the employee's current driver's license should be given to Human Resources to be kept in the DOT files. Any changes in driving records, including, but not limited to, driving infractions must be reported to the employee's direct supervisor and Human Resources. The Company requires employees who operate a company motor vehicle to sign a consent form giving authorization to check his or her driving record yearly. In addition, Southam and Associates Inc. requires

employees operating motor vehicles while representing the company to qualify for and maintain a current medical ID card.

### *Personal Appearance*

Proper dress, good grooming, and physical cleanliness contribute to the morale of all employees and affect the business image presented to customers and the community. Employees are expected to maintain a high standard of grooming and to present a professional, businesslike appearance consistent with the duties and responsibilities of the position. Extremes of any style are not permissible.

Clothing should be free of noticeable stains and clean in appearance. Holes or tears are to be no larger than 1" in length and be minimal in number. Highly distressed apparel is not appropriate in the office or on a job site. Shorts and tank tops are prohibited. Where safety is a concern (job site, shop), no dangling jewelry, necklaces, ear gauges, earrings, piercings, etc. and long hair must be tied back. Supervisors and crews are to wear high visibility shirts or safety vests and keep them clean. Earphones and/or Bluetooth earpieces of any type or electronics are NOT allowed while on the clock. Cell phones for non-crew leaders are prohibited while on company time. Open-toe shoes (flip flops, sandals) or shoes with a heel higher than 1 ½ inches and loose, flowing clothing are not allowed in the shop area beyond the safety striping. Employees should consult their immediate supervisor regarding questions about proper attire.

### *Personal Information*

Changes in personal information should be reported to Human Resources as soon as possible. Examples of changes include name, address and contact information, marital status, beneficiaries, dependents, and emergency contact information.

### *Personnel Records*

Confidential personnel files and records are maintained for each employee and are the property of the Company. Records will be maintained in accordance with applicable legal and medical requirements. Information contained in an employee's personnel file may be provided to other employees or general contractors who have a legitimate business purpose to obtain the information (such as booking airline flights, badging for military base access, certificate of bloodline, etc). The information will not be released to external sources unless the employee grants clear written permission to release specific information or upon court-ordered direction. With the approval of the President, management employees may inspect another employee's file only on a "need to know" basis.

With two business days' notice and the approval of the President, employees may review the material in their own personnel file with a Human Resources representative or supervisor present. Information that pertains to an investigation is not available for employee review.

### *References/Employment Verifications*

All requests for references should be directed to Human Resources. This is the only person at Southam and Associates Inc. who is authorized to provide such information.

### *Termination of Employment*

Employment with the company may be terminated for reasons of discharge, resignation, retirement or reduction of the workforce or other reasons found throughout this manual based on circumstance. Employees choosing to voluntarily resign are asked to give their supervisor both verbal and written notice at least two weeks before the last day of employment.

Upon termination, employees will be scheduled for an exit interview with Human Resources. Supervisors will relay termination information to Human Resources. The exit interview provides an opportunity for discussion of benefits coverage and continuation rights, repayment of outstanding debts and the return of company property. Before receiving a final paycheck, an employee must immediately return all company property and materials given to them over the course of their employment to their direct supervisor and/or Human Resources Manager. This includes, but is not limited to, credit and gas cards, safety equipment, computers, cell phones, keys, uniforms, tools, manuals or other written information issued directly to the employee or that is in the employee's possession or control. Failure to return company property will result in the Company reporting these items as stolen and filing a police report as well as deducting the value from the employee's final paycheck. \*For more information regarding tools and equipment, please refer to Equipment Deduction Authorization Form. In addition, any employee who is directly responsible for property damage to the Southam premises or any accommodations secured by Southam and Associates will have the value of those damages deducted from final paycheck.

## PAY AND PERFORMANCE

### *Introduction*

Southam and Associates Inc. makes every effort to treat employees equitably and consistently. A valuable component of the working relationship between employer and employee is compensation.

### *Advances*

Southam and Associates Inc. does not provide payroll advances.

### *Compensation and Raises*

The Company's compensation program is designed to attract, retain, and reward qualified, capable employees. Southam and Associates Inc. seeks to provide competitive wages, salaries, and benefits package. Future pay increases will be based on quarterly reviews and issued once per year. Any questions about pay, please consult with a direct supervisor - not the accounting department. Specific pay plans will be distributed by supervisors.

### *Pay Days and Periods*

Southam and Associates Inc. Inc. pays employees on a bi-weekly system. The pay period is 14 days, starting on Sunday and ending on Saturday. Employee timecards are due daily. Any questions about time entry should be directed to the Project Managers.

All employees are encouraged to sign up for direct deposit, either through their bank, credit union, or money card. Employees who do not have direct deposit will have their paycheck mailed through the USPS on payday Friday. Paychecks are not available for employee or spouse office pickup. UPS/FedEx delivery is also available for the cost of the service plus a \$10 processing fee. Please see the accounting department or Human Resources for questions or more information.

### *Pay Deductions*

There are two types of pay deductions: Deductions required by law and deductions that are employee authorized. Law requires that regular amounts be deducted from employee pay. These mandatory deductions are applied toward payment of federal, local and state income taxes (if applicable), Social Security, and garnishments. Southam and Associates Inc. offers programs and benefits beyond those required by law that qualify for deductions. These optional deductions include medical, dental, and vision insurance as well as the 401(k) plan. Any optional deductions must be authorized by the employee for the specific use of covering the employee's portion of the cost for the selected plans.

### *Performance and Reviews*



Supervisors and employees are strongly encouraged to discuss performance and goals on an informal, daily basis. Performance reviews are conducted quarterly by immediate supervisors. Documentation of each employee review will be given to Human Resources to keep in individual employee files. Future pay increases will be based on quarterly reviews and issued once per year.

### *Additional Labor*

All employees working on piece work projects will be paid minimum wage. Piece work is deducted from the overall project labor budget. The remainder of the budget will be given to the employee in the form of additional income after the project is complete. All punch list items are to be completed at minimum wage pay.

### *Overtime*

All employees need to have overtime approved by their Project Manager. Non-exempt employees may not work overtime without advance permission from their manager. Employees can be subject to discipline for working unapproved overtime

### *Drive Time*

Employees will be paid for drive time as follows:

- Less than 50 miles: Hourly rate
- More than 50 miles: Driver - \$0.40 per mile | Passenger: \$0.26 per mile (i.e. 100 miles = \$40 / driver; \$26 passenger)Project Manager will be responsible for inputting mileage.

### *Prevailing Wage | Certified*

Income received from working on prevailing wage projects will vary depending on whether the project is a state or federal project. Prevailing wage is directly affected by the county where the project is located. Project Managers are able to define specific wages for specific job descriptions when an employee works directly on a prevailing wage project. Employees will be asked to sign a "Job Site Position Directive" on prevailing wage jobs stating an understanding of the employee's specific job description, wages, fringe information, etc. Superintendents or project managers can provide detailed information and calculations on fringe (dental, medical, FTO, etc), name and address of plan, fund, or program. The general contractor will also have this information on file as reports are to be submitted monthly to the general contractor's office.

### *Timekeeping*

Timecards need to be filled out by the employee daily. Project Managers will review timecards for approval. Where available, employees must use the electronic time collection system. Employees are not allowed to clock in for another employee.

## EMPLOYEE PURCHASES AND EXPENSES

### *Introduction*

Southam and Associates Inc. makes every effort to provide the necessary tools and materials for employees to complete their responsibilities. An important component of this allows employees the ability to purchase items as needed.

### *Company Credit Cards*

Employees who are issued company credit cards are responsible for tracking each charge incurred. Backup and purchase reports need to be provided to Accounts Payable by the 2nd of every month. Reporting of all expenses will need to be provided to Accounts Payable by the 5th of every month. Any purchases on a company credit card that are not accompanied by a receipt will be deemed personal purchases and be the responsibility of the employee.

Employees who make (or allow other employees to make) personal charges on company credit cards will have their credit card revoked and the charges will be the responsibility of the employee. This credit card policy also applies to fuel cards. All fuel charges are to be reported to Accounts Payable to ensure charges are costed to the correct job and by machinery.

### *Fuel*

Each company-owned vehicle is provided with a gas card. This is to only be used for the vehicle to which the card was assigned. Personal purchases made with company credit cards can result in suspension or termination of employment. Employees who have a vehicle allowance are not to use company gas cards.

### *Purchase Orders*

Employees are required to obtain a purchase order for Company purchases. In order to obtain a purchase order number, the following information will be necessary: Vendor, Job Name, Quantity, Description, and Cost for the Item. All purchase orders will need to have line items listed.

Employees working on prevailing wage jobs cannot use the purchase order system to obtain tools - they must pay the vendor directly for the tool with their own cash.

### *Subsistence*

\$30 per day while residing out of town working on the jobsite | \$210 per week when an employee is out of town for 7 consecutive days. Subsistence will not be paid on personal travel days.

### *Employee Purchases*

Employee purchases for personal items with company credit cards or at places where the Company has a charge account in place are not allowed without prior authorization. If it is necessary to charge company items, only the President or CFO is authorized to approve the purchase by signing the invoice and/or receipt.

## LEAVE POLICY

### *Introduction*

Southam and Associates Inc. offers its employees holidays and flexible paid time off (FTO). The Company also provides opportunities for employees to take a break from the work routine. Reasons include, but are not limited to, the handling items of personal business, observing religious holidays, accommodating an employee's right to vote, recovering from an illness or injury, and observing specially designated days commemorating national or regional events. Abuse of attendance or leave policies will result in disciplinary action.

### *Compensation Time*

This option is available to salaried employees only. Compensation time will be granted for time spent at work above that required by regular job duties. Salaried employees should be able to complete regular duties in a forty-hour workweek. Those who are working more than forty are considered to be still learning their positions. Employees who feel they are due compensation time must have the President approve it and have a record of it kept with attendance information. Employees may not take consecutive compensation days (ie. more than one day at a time).

### *Family and Medical Leave*

Should the need for family or medical unpaid leave be foreseeable, employees must provide at least thirty (30) days advance notice of the need for leave. If the need for leave is not foreseeable, notice must be provided as soon as it is practical. Leave requests must be in writing and be submitted to an immediate supervisor, the Vice President, or the President.

Eligible employees may take up to twelve (12) weeks of unpaid leave in a twelve (12) month period or as specified by law regarding:

- Birth and care for newborn, foster care, or newly adopted children
- Placement of a child for adoption or foster care
- Care for a seriously ill family member
- Because of the employee's own serious health condition
- Certain reasons related to military service

Unpaid leave for the birth, foster care or adoption of a child must be taken within one year of the birth or placement of the child.

Requests for leave due to a serious health condition, either for the employee or an immediate family member, must contain the appropriate medical certification from the patient's health care provider. A serious illness or health condition is defined as an illness or injury that requires hospitalization or continuing care by a healthcare provider. Such leave will be limited to the expected duration of the serious illness or health condition. In addition, if the leave is for the employee's own serious health condition, the Company's health care provider must certify that the employee is unable to perform the daily job functions. Southam and Associates Inc. may require a second or third opinion and periodic recertification at the company's expense. Employees will need to obtain a release from the healthcare provider in order to return to work. Failure to provide timely medical certification or recertification upon request or the submission of false information will be grounds for disciplinary action up to and including termination.

While on family and medical leave, employees are entitled to continue health insurance coverage as if they were actively at work. If paid leave is substituted for unpaid leave, the employee's portion of the health plan premium will be deducted from their paycheck. If the leave is unpaid, employees must pay their portion of the premium to Human Resources by the first of each month. Check with Human Resources about other benefit continuation provisions. Failing to return to work following family and medical leave will result in the employee being responsible for 100% of the cost of the health insurance premiums during the entire length of leave. Employees may also take up to twenty-six (26) workweeks of leave during a single twelve (12) month period to care for a covered servicemember with a serious injury or illness IF the eligible employee is the service member's spouse, son, daughter, parent, or next of kin (military caregiver leave). Employees eligible for this benefit must have been employed at the company for one year or more and have worked at the company at least 1,250 hours in the previous twelve (12) months.

### *Holidays*

Full-time employees (Employees are considered full-time if they work a minimum of 30 hours per week) are eligible for holiday pay after six (6) months of continuous employment. Management, executive, and salaried employees receive holiday pay immediately upon hire. Employees may be required to work on a paid holiday depending on the company position. Holiday pay is based on the employee's current hourly pay rate. Should an employee be required to work on a paid holiday, compensation will be given for the hours worked in addition to the holiday pay.

The following are company-recognized holidays:

### **PAID HOLIDAYS:**

- New Year's Day - January 1st
- Memorial Day - Last Monday in May
- Independence Day - July 4th
- Labor Day - 1st Monday in September

- Thanksgiving - 4th Thursday in November
- Christmas Day - December 25
- 

If a holiday falls on a Saturday, the preceding Friday will be observed as the holiday. Likewise, if a holiday falls on a Sunday, the following Monday will be observed as the holiday.

In the event that a holiday falls during an absence for approved flexible time off, holiday pay will be provided instead of the flexible time off leave.

When the employee is not scheduled for flexible time off and does not come to work on the day preceding or following the holiday for any reason except illness, the employee will not receive holiday pay. If the employee is sick, the absence may be required to be verified by a doctor's note to qualify the employee to receive holiday pay.

### *Jury Duty*

If an employee is called to serve jury duty or is subpoenaed to court, he or she will be released from regular duties for the time determined by the court. This absence will be unpaid and will not count against any flexible TIME OFF. The employee's immediate supervisor should be notified of jury assignments as soon as possible and must also furnish written evidence from the court noting time spent.

### *Medical/Dental Appointments*

Medical and dental appointments should be scheduled before or after work if possible or, if necessary, at the beginning or end of the business day.

### *Military Leave*

If time off from work is required to fulfill military duties, attendance will be treated in accordance with applicable requirements of state and federal laws. Employees are expected to notify their immediate supervisor of the necessary time off and provide a copy of the specific orders as soon as possible.

Members of the military reserve who are required to participate in reserve training or military service will be granted an unpaid military leave of absence for up to five (5) years. During the military leave of absence, benefit coverages will be the same as for any other employee on an unpaid leave of absence. Medical coverage may be continued based on the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). See HR for complete information on the continuation of benefits.

### *Flexible Time Off (FTO)*

Southam and Associates hires exceptional, professional individuals to perform a wide variety of important functions that contribute to the success of our company. It is Southam and Associates' intent to provide its employees the freedom they require to balance the responsibilities of both their work and home lives, thereby maximizing their value to Southam and Associates.

[◆ Click Here for Flex Time Off Policy and Request Form ◆](#)

### *Serious Illness or Disease*

Southam and Associates Inc. is committed to maintaining a healthy and safe work environment for all employees. Employees who miss two or more days of work because of illness may be required to provide a doctor's note releasing them back to work without restriction. Employees who work on crews may be required to have a doctor's note that shows that the doctor understands the work conditions under which the employee must operate and list any medications the employee is taking which may affect job and safety performance.

Employees with long-term, life-threatening or infectious diseases or illnesses may work as long as they are able to satisfactorily perform the essential duties of their jobs and medical evidence indicates that their continued employment does not present a significant health or safety threat to themselves or to other employees.

### *Sick Leave*

Southam and Associates Inc. has chosen to provide Flexible Paid Time Off in lieu of sick leave. Employees must notify their supervisor immediately if not reporting to work due to illness. Flexible Paid Time Off should be used for sick leave and for periods of temporary absence due to illness or injury. Employees may be required to submit a medical certification from their doctor for any absence longer than two days and may be subject to "Fit for Duty" testing before returning to work.

## BENEFITS

### *Introduction*

The following benefit descriptions contain plan highlights and general information and do not constitute any type of contract for the plans. The benefits described herein are more fully explained in specific plan documents, insurance contracts and summary descriptions. In case of a dispute or a discrepancy between the information in this employee manual and the summary plan descriptions or plan documents, summary plan descriptions or plan documents will govern. Southam and Associates Inc. reserves the right to amend, modify, reduce the benefits provided, or terminate any of the plans at any time. Any amendment, modification, reduction, or termination may be made without prior notice to participants except as required by law.

### *Employee Discounts*

Employees who have been with Southam and Associates Inc. for 120 days (four months) will qualify for special purchase allowances on company merchandise. Employees may purchase products from the company at cost plus 5%. Contact the President for more information. Written receipts are required and payments may be made in cash or through payroll deduction. Purchases deducted from payroll under \$1,000.00 must be completely paid for within one month of purchase date. Discounts on material and labor for family members need to be approved by the President or Vice President.

### *Medical Benefits Continuation Privileges*

Employees and/or their family members may be eligible to continue benefit coverage under the Consolidated Omnibus Reconciliation Act (COBRA) based on the following qualifying events:

- Termination of employment with the company
- Reduction in work hours at the company
- Covered employee becoming eligible for Medicare
- Divorce or legal separation of a covered employee
- Death of a covered employee
- A child's loss of eligibility for dependent status

When the employee advises the Company that one of the qualifying events has occurred, the employee will receive information regarding entitlement to continue group coverage. Employees will have 60 days from the date such information was received in order to elect continued coverage.

Coverage will end if any of the following events occur:

- Company no longer provides group health coverage to any of its employees
- The premium for continued coverage is not paid
- The employee becomes covered under another group health plan
- The employee becomes eligible for Medicare

Please contact Human Resources with questions.

### *Medical, Dental, Vision and Life Benefits*

Southam and Associates Inc. offers medical, dental, vision, and life insurance to employees and their eligible dependents. Full time employees (Employees are considered full-time if they work a minimum of 30 hours per week) are eligible to participate on the first day of the month following a 60-day probation period. The cost for coverage is divided between the employee and the Company. Southam and Associates Inc. contributes 65% of the employee premium for both medical and dental. Employees will be required to cover the remaining 35% of those premiums. For employees who elect the high deductible HSA plan, the Company will contribute \$600.00/year to individual Health Savings Accounts regardless of the employee's contribution. Employees must pay for the entire cost of vision insurance. Southam and Associates Inc. covers basic life insurance for all its employees. Please contact Human Resources for more information.

### *Voluntary Benefits*

The Company offers additional voluntary benefits such as Accident, Critical Illness, and Short Term Disability insurance. Employees are eligible to participate on the first day of the month following a 60-day probation period. These benefits are beneficial for employees who may experience major life interruptions that interfere with work. Each of the plans provide cash for unexpected, out-of-pocket costs. The employee may elect to participate in any, all, or none of these benefits. All premiums will be paid for by the employee.

### *401(k)*

Southam and Associates Inc., Inc. offers a 401(k) plan in which employees are encouraged to contribute to. Employees are eligible if they are a minimum of 21 years of age and have worked for the company continuously for at least 3 months. After meeting the eligibility requirements, you may enroll in the plan on the next entry date. The company may contribute up to 100% of the employee's contribution up to 1% of an employee's pay. The employer contribution amount will be determined by executive management at the end of each calendar year and is dependent on available funding and at the Company's discretion.

## LEGALLY MANDATED BENEFITS

### *Introduction*

Southam and Associates Inc. participates in all legally mandated benefits. These benefits assist the employee once employment ends.

### *Medicare*

Medicare is a federal program that provides medical coverage for eligible retirees or disabled workers and their eligible dependents. Employee contribution amounts are withheld from the employee's pay along with an equal amount from the company and forwarded to the federal government. Medicare coverage is secondary coverage for all active workers and dependents of active workers covered by the company's medical plan.

### *Social Security*

Social Security is a federal program providing old-age, survivors and disability benefits for workers. Contribution amounts are withheld from the employee's pay along with an equal amount from the company and are forwarded to the federal government.

### *Status of Benefits at Termination*

If an employee terminates employment at Southam and Associates Inc. Inc., benefits are generally canceled as of the last day of employment. However, terminated employees may have rights and responsibilities under the employee benefit programs. Health plans are subject to the continuation provisions under the Federal

Consolidated Omnibus Budget Reconciliation Act (COBRA). Contact Human Resources for additional information.

Employees leaving the Company will be asked to pay off any outstanding debt to the company and to turn in any company credit cards, cell phones, uniforms, tools, keys, training material and/or company property, etc. A final paycheck will be issued to the employee in accordance with state law. Unused FTO is not compensated upon termination.

### *Unemployment Insurance*

Unemployment insurance provides partial income replacement during periods of short term, involuntary unemployment. The benefit payment amount and duration of payments are set by legislation. Southam and Associates Inc., Inc. makes required contributions to the federal government and to the state.

### *Workers' Compensation*

Worker's compensation insurance provides compensation to replace a percentage of lost wages and payments for eligible medical expenses. The cost of workers' compensation insurance is fully paid by the Company. If an employee is injured on the job or believes they have developed an occupational disease, contact a supervisor and Human Resources immediately. In case of a severe injury seek emergency medical care immediately. All workers comp injuries require the employee to immediately notify a supervisor and Human Resources as soon as possible, preferably within 24 hours.

## GENERAL POLICY INFORMATION

### *Introduction*

Southam and Associates Inc. employees are the company's most valuable asset and the most important contributors to continued growth and success. The Company is firmly committed to the safety of its employees. With exception to emergencies, conducting personal business on company time is prohibited and any violation of this policy will result in disciplinary action. Scheduled breaks and lunch periods are an appropriate time to conduct personal business but the business must be concluded within the given time period. The following policies have been set in place to keep our employees safe while on the job.

### *Cell Phone/Hand-Held Device Policy*

Driver distraction is a factor in the majority of motor vehicle accidents. As such, employees may not use hand-held devices to place or receive work-related or personal calls while operating any vehicle (including a personal vehicle) on company time; or anytime they are operating a company vehicle even on personal time. The term "handheld" includes cell phones, pagers, palm pilots, GPS systems, games or music systems or other communication devices. Unless a phone is required for the employee's specific job and paid for by the Company, all employees are to leave personal cell phones in their vehicles while on work time. Employees may provide family members with a supervisor's phone number in case of an emergency.

Employees who are issued company-owned cell phones may not use the cell phone any time they are operating a vehicle, even on personal time or in a personal vehicle. The exception to this policy is a hands-free system. When a hands-free system is not in place, allow voicemail to handle any incoming calls or ask a passenger to make or receive calls. If alone, only answer and return calls when the vehicle is not in operation. Southam and Associates Inc. requires employees to report all lost devices immediately to Human Resources. The Company owns all company phone numbers but may choose to relinquish a phone number to an individual upon termination and at the Company's discretion. In addition, the Company owns all information transmitted to or from and stored on company phones.

Employees who use company-issued cell phones are financially responsible for any damage or loss incurred. Southam and Associates Inc. does not carry insurance on cell phones. However, an employee can make arrangements through the accounting department to add an insurance policy to a company phone issued for the employee's use at their own expense. Employees share cell phone minutes and data bytes. Usage is monitored monthly. Employees who show excessive usage will be billed accordingly.

Southam and Associates provides a cell phone reimbursement of \$9.23 per week for the following individuals: CEO, President, Project Managers, Superintendents, Crew Leaders, Human Resources Manager, and Safety Manager.

For those who have been grandfathered into the Southam and Associates company owned cell phones: Company cell phones are upgraded every two years. The Company covers the first \$100 of the cost of a cell phone. Employees who would like to upgrade may do so at any time and at their own personal expense. Additionally, employees who choose to upgrade to a more expensive device will be required to pay the difference in cost; however, the device remains company property and must be returned upon termination or demand. The employee portion paid for any upgraded phone will not be reimbursed.

Company policy prohibits downloading or transmitting of images, photos or text that can be perceived as objectionable. Damages or loss of company property, overages of minutes, fees for charges not part of the plan will all be passed along to the employee who incurs the expense.

### *Company Property & Premises*

Employees at Southam and Associates Inc. may have access to confidential and proprietary data, which is not known by competitors or within the company's field of business generally. This information (hereinafter referred to as "Confidential Information") includes but is not limited to: procedures and techniques; the criteria and formula used in pricing products and services; the structure and pricing of special packages negotiated by the Company; sensitive details concerning the structure, conditions, and extent of existing products and services; commission and compensation rates; and service/warranty arrangements. This Confidential Information is a valuable asset of the Company, developed over a long period of time and at substantial expense.

All company property should stay on-premises and not be taken home by employees unless authorized to do so by their immediate supervisor. While company property is in the possession of an employee, the employee is responsible for any damage or loss that may occur.

During the course of employment with the Southam and Associates Inc., employees will be provided with and will generate correspondence, memoranda, literature, reports, summaries, manuals, proposals, contracts, customer lists, prospect lists, and other documents and data concerning the business of the Company. Any and all such records and data, whether maintained in hard copy or on a computer or other medium, is the property of the Company, regardless of whether it is or contains Confidential Information. Upon termination of employment at the Company, employees are required to return all such records to the Company and may not retain any copies of such records or make any notes regarding such records. We reserve the right to search for such information and property in personal items while on Company premises such as vehicles, purses, briefcases, etc.

Employees are prohibited from making unauthorized entry to any part of company premises, including a job site not situated at the Company's physical address.

### *Company Vehicles and Employee-Owned with Vehicle Allowance*

Vehicles owned by Southam and Associates Inc. are assigned to company employees. DMV records must be verified for each company driver. Employees driving company vehicles are required to be added to the company auto insurance policy. Unauthorized use of company vehicles is not allowed. Company vehicles are not



authorized for use by spouses, family members or friends. Likewise, for insurance liability reasons, company vehicles are not to be used to transport spouses, family members or friends.

All drivers must possess a valid Driver's License and Medical ID Card and provide Human Resources with a copy of each. Before driving any vehicle and trailer combination, drivers are responsible for ensuring they are properly licensed for the combination they are driving. Some Company trailers require CDL licensing to operate. Vehicles and trailers are not to be overloaded with excessive weight or weight that exceeds the gross vehicle weight rating. Trucks bearing the company logo and DOT rating that are loaded and are towing a trailer for business purposes must always stop at weigh stations. The supervisor of the driver will plan driving routes when loads are required to be driven out of state. Supervisors will also verify whether drivers will need additional permits when entering each new state. Coordinate with the project manager to get the necessary permits before leaving. This process may require 24-48-hour notice.

Every driver of a company vehicle is required to keep the interior of their assigned vehicle clean and in good condition. Cleaning supplies and shop vacuums are provided for this purpose. Unkempt and/or mistreated vehicles in this regard will result in the driver being charged a \$100 cleaning fee. There is no smoking in or within 30' of company vehicles. Any employee found violating this policy will be liable for a \$250 cleaning fee. Company policy prohibits employees from using laptop computers, cell phones, GPS systems, gaming or music devices or to participate in distracting behaviors while driving.

Each company vehicle must have all fluids checked at each fueling. Any driver operating a vehicle that is found to be excessively low on fluids will be reprimanded with loss of the privilege of driving the company vehicle or a similar consequence. Likewise, the driver is responsible to track and schedule tire rotations and oil changes and any other service as recommended by the manufacturer.

All employees who drive for Southam and Associates Inc. are subject to the rules and regulations established by DOT in the Driver Qualification Checklist. All vehicles (employee- or company-owned) must bear the Southam and Associates Inc. door magnet while on company business and time.

All drivers are required to maintain a Daily Timesheet and Vehicle Inspection Report or Log Book. Vehicles must be inspected twice daily (pre- and post-trip inspections) as required by DOT regulations. Employees not maintaining this record will be penalized as outlined on the Timesheet and Inspection Report. See Human Resources for more information on how to maintain the Timesheet or Log Book. The Timesheet also serves as a repair request. Service on company-owned vehicles is to be performed on items marked AFTER obtaining authorization from the fleet manager. Failure to complete the necessary repairs may result in suspended driving privileges.

If a vehicle requires immediate and emergency service, pull over immediately and contact the fleet manager for direction. Do not proceed unless directed to do so. If the service facility determines the problem is driver caused or due to the lack of regular maintenance, the driver of the vehicle will be charged for repair costs. The Company has a mandatory seat belt policy. All passengers are required to fasten safety belts while riding in any company or employee-owned vehicle. Company vehicles are to be returned to the Southam and Associates Inc., Inc. yard every evening unless crew is staying in hotels out of town for the project duration. All drivers must maintain a clean driving record and must report any citations or accidents immediately. Motor vehicle records will be checked yearly. Driving privileges will be suspended or terminated for an employee if driving records indicate an unacceptable number of accidents or violations. Driving privileges will be suspended after an accident if the driver fails to comply with the claim resolution process. Notify HR right away should there be a change in driver's license status.

Southam and Associates Inc. is not responsible for any traffic violations, parking tickets or other city, state or federal laws regarding employee driving habits or the operation/care of employee-owned vehicles or the

company vehicle under the employee's possession. Any tickets issued are the employee's responsibility, even if the ticket was issued on or while conducting company business and driving company vehicles.

Any employee discovered driving a company vehicle under the influence of alcohol or drugs at any time, whether on company or personal time, will immediately be terminated. Employees are not allowed to drive if their ability to drive safely is impaired by the influence of medications or if feeling drowsy, angry or upset. Adjust or limit driving in severe weather conditions.

Employee-owned vehicles: Employees who choose to purchase their own work vehicles may negotiate a monthly vehicle allowance. See the President for further details. The employee's personal auto liability insurance is the primary payer. Employees must carry a minimum of \$1 million single limit liability coverage and must name Southam and Associates Inc. as "additional insured" on the policy. The Company is not responsible for any physical damage to a personal vehicle. Employees must carry their own collision and comprehensive coverage. Employees on a vehicle allowance must submit proof of current and valid insurance.

### *Computers, Software, Downloads & Communication Devices*

Southam and Associates Inc., Inc. purchases or licenses the use of various computer software programs. The Company does not own the copyright to this software or its related documentation and, unless authorized by the software developer, does not have the right to reproduce it for use on more computers than authorized by the manufacturer. Company employees shall use the software only in accordance with the license agreement. This policy applies not only to individual desktop computers and laptops but to local area networks as well. Company employees learning of any misuse of the software or related documentation within the company shall notify the President. Company policy prohibits the downloading and/or transmission of images, photos or text that can be perceived as objectionable.

According to the U.S. Copyright Law, illegal reproduction of software can be subject to civil damages of as much as \$100,000 per work copied, and criminal penalties, including fines and imprisonment. Company employees who make, acquire or use unauthorized copies of computer software shall be disciplined as appropriate under the circumstances. Such discipline may include termination. The company does not condone the illegal duplication of software.

Southam and Associates Inc., Inc. provides the use of computer equipment and phones for the purpose of conducting the business of the Company. All company communication services and equipment, including the messages transmitted or stored by them, are the sole property of Southam and Associates Inc., Inc., and the Company may access and monitor employee communications and files as it deems appropriate. This includes but is not limited to mail, email, instant messaging, faxes, telephone calls, voice messaging, text messages, computer files, network records, as well as other forms of electronic communication. Employees shall not leave any portable device used for work in an unattended vehicle and must report lost or stolen devices to HR immediately. Employee's phone or device will have company-related data removed from the device upon termination.

The Company reserves the right to limit or prohibit all use of company equipment for any purpose not related to company business. By accessing the Southam and Associates Inc., Inc. electronic communication systems, the employee expressly consents to such monitoring and acknowledges that communications may not be private. Employees should have no expectation of privacy when using any of these systems. This means that the Company reserves the right to monitor communications, search data, or otherwise review usage of the above-listed systems. Inappropriate use of Network and Electronic Resources may result in corrective action, up to and including termination. This policy is not limited to the communication device but also applies to any company-owned email address or phone number.

### *Conflict of Interest*

A conflict of interest occurs when employees place themselves in a position where their private interests may have an adverse effect on motivation or the proper performance of their job, or when their actions result in

direct or indirect detriment to the Company or its customers. Use of company funds for improper purposes and dishonest practices is absolutely forbidden. Employees are not permitted to exert influence in any transaction where their own interests may conflict with the interests of the Company or where they may gain any personal financial benefit. Southam and Associates Inc., Inc. requires employees to report, in writing, to the President any financial interests the employee or any member of their family may have with any individual or party doing business with the Company. Concerns regarding whether a particular situation may constitute a conflict of interest should be submitted to an immediate supervisor, in writing, for review, and if appropriate, authorization.

### *Customer Relations*

At the Company, we recognize that each instance of customer contact is an opportunity to improve customer relations and increase repeat and referral business. As part of the company team, always respond to the customer's concerns promptly, courteously and professionally.

### *Gifts*

Employees are not allowed to accept any gift or gratuity from any customer, vendor, or supplier that may be construed as payment or an obligation to do business with that individual or company. Sales awards, gifts or gratuities received of this type from vendors or customers, must be turned over to the President or Vice President of the company for placement determination. Company management will make all decisions regarding purchases of assets, inventory, etc.

### *Job Log Reports*

Each crew leader is required to maintain a job logbook. At the end of each day, a daily report must be completed in its entirety. The information should include job site contact information, project schedule details, problems encountered and corrections to be made. They will also be used to document a timeline for each job. These reports are to be turned in to the Project Manager at the end of each job.

### *Non-Disclosure of Information/Proprietary Information*

Being employed with Southam and Associates Inc. may provide employees access to confidential and/or proprietary information and records. Confidential information includes, but is not limited to, data processing and computer programs and operations; lists of actual and prospective customers or projects and budgets; company or customer purchase prices, personnel information specifically including other employees' social security numbers, medical reports, criminal background checks, results of workplace drug tests and other similarly sensitive information.

Employees are prohibited from using, copying or disclosing any such confidential information to any other person, employee, firm, corporation, company or other entity, either during or subsequent to employment, except as authorized in writing by the President. Confidential matters must be kept confidential and are not to be discussed either outside or inside the company. Discussing confidential information can result in termination of employment.

Unless specifically instructed, employees are not authorized to speak on behalf of the Company and therefore restricted from doing so. Employees may not publicly discuss clients, products, employees or any work-related matters, whether confidential or not, outside Company-authorized communications. Employees are expected to protect the privacy of the Company, its employees and clients and are prohibited from disclosing personal employee and non-employee information as well as any other proprietary and nonpublic information to which employees have access. Such information includes but is not limited to customer information, trade secrets, workplace accidents, and strategic business plans.

### *Outside Employment*

The company expects its employees to devote their full attention and energy to their respective job. If an employee elects to engage in employment outside of the company, it may not conflict or interfere in any way

with their job at Southam and Associates Inc., Inc. In addition, no outside business may be conducted during paid working time.

### *Problem Solving*

Employees are encouraged to bring concerns or complaints about work-related situations to the attention of their immediate supervisor, Human Resources, or to the President. Every effort will be made to resolve problems fairly, equitably and promptly.

### *Social Media and Blogs/Blogging*

Southam and Associates Inc. takes no position on an employee's decision to start or maintain a blog, to participate in social media forums, and does not discourage employees from self-expression and self-publishing. However, it is the right and duty of the Company to protect itself from unauthorized disclosure of information. Unless specifically authorized by the Company to do so as part of an employee's position, employees are not permitted to blog or use other forms of social media or technology on the Internet during working hours or at any time on company computers. Neither are they permitted to use other company-supplied devices or use company-licensed software or other electronic equipment, nor facilities, or company time, to conduct personal blogging or participate in social media.

Employees who elect to identify as a Southam and Associates Inc. employee on any social media forum, may incorrectly be viewed as a spokesperson for the Company. Because of this possibility, we ask that employees expressly state that the views expressed are their own and not those of the Company or of any person or organization affiliated or doing business with the Company. In addition, employees may not use blogs or social media to harass, threaten, discriminate, or disparage against employees or anyone associated with or doing business with Southam and Associates Inc.

Southam and Associates Inc. employees may not post (on personal blogs or social media) photographs of company employees, clients, vendors, or suppliers without express written permission from these parties or individuals. Employees are further prohibited from posting photographs of company products or any person engaged in Southam and Associates Inc. business or of company events.

Employees are not allowed to post any advertisements for Company products and/or services on personal blogs or social media. The trademark or logo of Southam and Associates Inc. or that of any business with a connection to Southam and Associates Inc. is not permitted to be posted on personal blogs or social media. Employees may not post Company-privileged information, including copyrighted information or Company-issued documents. Additionally, employees may not link from a personal blog or social media to Southam and Associates Inc. internal or external web site.

Should an employee be contacted by the media or press about any personally made posts relating to Southam and Associates Inc. or its business, that employee is required to speak with the President before responding. Any questions relating to this guideline or regarding an employee's personal blog or social media page, are to be directed directly to the President.

### *Tools/Equipment - Company and Employee Owned*

Southam and Associates Inc. provides employees with personal hand tools and/or cordless tools needed to complete the everyday aspects of their job. Should employees need to be issued a new hand tool, which includes but is not limited to tool belts, snips, gloves, hammers, tapes, caulk lines, drills, drill bits, screwdrivers, knife, pliers, squares, punches, levels, hardhats, fall protection gear, etc., items will need to be approved by the inventory coordinator. New employees needing to acquire start-up tools can make arrangements with the lead Project Manager or inventory coordinator. Upon separation, voluntarily or involuntarily, if equipment issued is returned, no deductions will be made from the final paycheck. However, assigned items and tools not returned or damaged beyond normal wear and tear will be deducted from the final paycheck according to applicable state and federal minimum wage laws.

Safety equipment required to perform specific jobs will be issued by the Company in compliance with OSHA law. Preventable loss, neglect, or abuse of this equipment will require the employee to replace the equipment at his or her own expense. Equipment issued is company property and must be returned upon termination of employment.

All employees are responsible for the proper maintenance and handling of all tools and equipment. Screw guns, compressors, etc. should be checked daily for oil and grease. If a piece of equipment is repaired because of negligence caused by an employee, the employee will be responsible for the repair charges. Supervisors will work with the employee to determine cause and fault.

Theft of personal tools is NOT covered under Southam and Associates Inc., Inc. company insurance policy, even if the theft occurs from the break-in of a locked company vehicle or while on company property. For details on securing personal insurance on any tools voluntarily brought to the jobsite, contact your insurance carrier personally.

### *Travel/Expense Reporting*

The Project Manager must approve, in advance, travel for business purposes. Reimbursement for travel expenses is contingent upon the submission of a properly completed expense report form, fully documented by accompanying receipts. Expense reports must be submitted within seven (7) days of the incurred expenses. These reports may be obtained from the Accounting department.

Employees using personal vehicles for authorized work-related travel may be reimbursed for mileage, parking, and tolls. Employees authorized to drive company-owned vehicles will be reimbursed for parking and tolls, however, they will be responsible for their own parking or driving citations.

The Company is not responsible for damages caused by employee(s) during hotel stays or for fees incurred beyond room and tax. Southam and Associates Inc. will reimburse employee(s) for resort fees, valet fees, or any other imposed fees that are required as part of the basic hotel stay. If the employee has the option of self-park, the employee will not be reimbursed for using the valet option. Any supplemental charges to the company credit card for items beyond those specified will be charged to the employee.

### *Out of state employees*

Southam and Associates is not responsible for expenses associated with out of state employees returning home for personal time. In addition, under Utah law, normal commuting time from home to work and back may not count toward hours worked. Southam and Associates' policy does not allow covering fees for personal travel (airfare, Uber, bus, train, fuel, etc.) associated outside of the expenses incurred while traveling from Southam and Associates to out-of-town jobs and returning to Southam and Associates headquarters.

### *Work from Home/Telecommuting*

Employees who have time to develop relationships, pursue hobbies and interests, and relax outside the pressures of the office environment, are more effective employees during regular business hours. Southam and Associates Inc. prefers employees not work from home. Due to the nature of our business, telecommuting is not often an option. Employees are expected to be in the office during regular business hours to provide field employee support, maintain essential workflow, and build customer relationships.

Office employees may qualify for access to work from home under extreme, short-term situations (typically not more than once per year). These permissions shall not exceed 2-3 weeks and must be approved by the employee's direct supervisor and an additional supervisor level. Supervisors with non-exempt employees will consult with Human Resources prior to granting non-exempt employees' permission to telecommute.

Telecommuters are expected to adhere to rules, regulations, policies, and procedures regarding safety and confidentiality. Employees who work from home are responsible for providing a home workspace that is ergonomically sound, clean, safe, and free from obstructions and hazardous materials. The employee is responsible for the equipment used to access company servers, whether it is owned by the company or the employee. Southam and Associates Inc. does not provide additional hardware, software, or equipment that would establish connectivity needs for telecommuting.

## HEALTH AND SAFETY POLICIES

### *Introduction*

Southam and Associates Inc. employees are the company's most valuable asset and the most important contributors to continued growth and success. The Company is firmly committed to the safety of its employees.

### *Accident Reporting/Return to Work Program*

All accidents, injuries, and illnesses that occur at the workplace must be reported to an immediate supervisor and Human Resources immediately, regardless of how minor the injury may seem. First aid will be administered, if necessary, or the employee will be referred for treatment by company-approved medical facility. No post-medical treatment may be sought unless approved in advance by the injured employee's supervisor or company management or unless the situation is life-threatening.

Work-related injuries and claims are not subject to HIPAA laws for that incident. Diagnosis and treatments will be revealed to the Company and the injured employee is required to follow a prescribed return-to-work program/treatment and work closely with the management team, providing doctor's assessments and reports. A worker's compensation representative may attend doctor's appointments with the injured employee.

### *Evacuation Procedure*

Evacuation exit routes are permanent and are always maintained as accessible and passable. Evacuation maps are posted at various locations throughout our facility. These maps reflect the location of the evacuation routes, exits, and evacuation destination locations. Fire extinguishers can be found on each floor and in the shop area. Supervisors are to account for their own personnel in the event of an evacuation. Do not leave the property until accounted for or notified by an immediate supervisor.

Employees working on remote job sites are to report to their supervisor and be accounted for before leaving the job site. Do not delay evacuation or re-enter hazardous areas to retrieve personal possessions. Individuals with disabilities that may impair their ability to evacuate are encouraged to discuss this issue with Human Resources or a member of management.

### *Harassment/Hostile Work Environment*

Southam and Associates Inc. complies with all ADA requirements and laws and has a strict no harassment/hostile work environment policy. Employees may not physically, psychologically, or verbally harass another individual. Such actions create an intimidating or offensive environment and reduce productivity. Any form of real or perceived harassment, especially when related to an individual's race, color, sex, religion, national origin, citizenship status, age, sexual orientation, disability, or genetics, is a violation of this policy and will be treated as a disciplinary matter. Slurs, inappropriate and unwelcome comments and advances, gestures, cartoons, or visual displays in verbal, physical, electronic or written form are all forms of harassment. Intimidation, threats, screaming, tantrums, demeaning others, verbal abuse, public humiliation or sabotage or repetitive behaviors that undermine colleagues are forms of harassment and bullying. The company has a no retaliation policy against reporting such incidences.

We expect employees to show respect and sensitivity toward all other employees. The Company is committed to providing a working environment free from intimidation, hostility, or offensive conduct. If an employee observes a violation of this policy, he/she is responsible to report it immediately to their supervisor or Human Resources. Southam and Associates Inc., Inc. is committed to providing employees with a working environment free from intimidation, hostility, or other offensive conduct. The Company strictly prohibits harassment by its employees, vendors, and clients toward any person. Not only does it demonstrate a lack of respect towards others, it can also be against the law.

### *Severe Weather*

Severe weather conditions can disrupt company operations and interfere with work schedules as well as endanger the well-being of employees. Supervisors will notify employees regarding extreme weather conditions that may require closing the company. If weather or traveling conditions delay or prevent an employee from reporting to work, employees should notify their immediate supervisor as soon as possible.

### *Sexual Harassment*

Sexual harassment is unlawful and is against the company's policy. Sexual harassment includes, but is not limited to, unwelcome sexual advances, requests for sexual favor, and any other verbal or physical conduct of a sexual nature, real or perceived. Sexual harassment occurs when submission to or rejection of unwanted sexual conduct is used as the basis for employment decisions or when unwelcome sexual conduct creates an intimidating, offensive or hostile working environment.

Examples of sexual harassment include:

Sexual touching, advances, or propositions

- Verbal abuse of a sexual nature
- Graphic or suggestive comments about an individual's dress or body
- Sexually degrading words to describe an individual or gender
- Display in the workplace of sexually suggestive objects or pictures including nude photographs.
- Conversations or jokes (including direct and overheard conversations) that are sexually based or oriented

Any employee, supervisor, or manager who is found to have engaged in harassment of another employee will be subject to appropriate disciplinary action up to and including termination. Harassment of our employees in connection with their work by non-employees may also be a violation of this policy. Any employee who observes any type of harassment of an employee by another employee or non-employee should report such harassment to his or her supervisor. Appropriate action will be taken. It is the responsibility of the employee to bring these kinds of problems to management's attention so that proper steps can be taken to correct the problem.

Employees who have been the subject of sexual harassment because of the actions of a supervisor, another employee, or non-employee, immediately report the incident to an immediate supervisor, vice president or president. All complaints will be investigated promptly. Confidentiality will be used to protect all parties as much as possible. Any employee, supervisor or manager who is found to have engaged in harassment of another employee will be subject to appropriate disciplinary action up to and including termination. Retaliation against any employee for filing a complaint or participating in an investigation is prohibited.

### *Smoking*

Southam and Associates Inc. is a smoke-free workplace. In keeping with the company's intent to provide a safe and healthy work environment, smoking is prohibited throughout the company's premises. Smoking is prohibited in all company vehicles. Any employee found violating this policy will be responsible for a \$250 cleaning fee.

### *Substance Abuse*

The Company is committed to maintaining a workplace that is free from the effects of drug and alcohol abuse. The company strictly prohibits the use, possession, manufacture, distribution, dispensing or sale of illegal drugs, drug paraphernalia, controlled substances, unauthorized prescription drugs or alcohol on company premises, in company vehicles, on the job site, or during working hours. In addition, any drug or alcohol activity that adversely affects job performance or job safety is prohibited. Compliance with the Company's Substance Abuse Policy is a condition of employment. Any violation of this policy may result in disciplinary action, including termination of employment.

### *Worker Safety and Health*

No employee is ever required to perform work that they believe is unsafe or to perform work that they think is likely to cause injury or a health risk to themselves or others. Each employee is responsible and has the authority to shut down the job if it is presumed to be unsafe. The crew leader will stay in close contact with the Project Manager and the GC's project superintendent to rectify the unsafe conditions before re-mobilizing.

The prevention of accidents and maintenance of safe working conditions is the shared responsibility of the company and its employees. The company complies with all requirements of federal, state and local safety regulations to ensure a safe working environment. Supervisors are responsible for providing employees with information on company safety rules and requirements. Employees are expected to cooperate by becoming familiar with and obeying all safety rules and regulations.

All employees working around potentially dangerous equipment or hazardous materials must use appropriate safety and personal protection equipment. Check with a supervisor regarding any questions about the safety and personal protection equipment appropriate for use. Southam and Associates Inc. has training materials and manuals that may be checked out for review.

Southam and Associates Inc. requires all job functions to be conducted in a safe and healthful manner. Health and safety meetings and/or training are provided weekly with a full training day once a year. Attendance is a mandatory job responsibility of all applicable employees. While attending any mandatory company meeting, employees are compensated at an hourly training pay rate.

Some safety and personal protection equipment is provided by the company upon hire and must be maintained and purchased by the employee upon loss or neglect. Safety equipment which is obtained for personal preferences or which must conform to individual specifications, (i.e., specialized or prescription safety glasses, steel-tipped shoes, etc) are the responsibility of the individual who will use it.

Employees will be subject to immediate disciplinary action up to and including termination for any of the following activities.

1. Failure to comply with applicable health and safety requirements or federal, state or local safety inspectors.
2. Unsafe or unhealthful unauthorized activities (ie. Horseplay, handheld device distractions)
3. Bringing unauthorized weapons of any kind, at any time, onto company or customer property.

**THANK YOU FOR BEING A PART OF THE SOUTHAM AND ASSOCIATES TEAM!**

**IF YOU HAVE ANY QUESTIONS REGARDING THIS HANDBOOK, PLEASE TALK TO YOUR DIRECT SUPERVISOR OR WITH HUMAN RESOURCES.**