



# Employee Handbook

An Equal Opportunity Employer

## A Manual of Employee Benefits and Personnel Policies

**East Division / Corporate Office**  
102-A Professional Park Drive P.O. Box 427  
Beaufort NC 28516 (252) 504-3201

**Triangle Office**  
532 Pylon Drive  
Raleigh NC 27606 (919) 322-2090

**West Office**  
2918 Manufacturers Road  
Greensboro NC 27406 (336) 333-2535

**Legal disclaimer to users of this form Employee Handbook:**

This policy is not intended nor should it be construed as an employment contract. Under current North Carolina law, any coworker can quit or be terminated without notice. Should any section, subsection, or statement contained herein conflict with any Federal, State or Local laws, then the law will be considered policy. It is the intent of Mechworks to set forth policies and procedures that are in complete compliance with the law. The right to change any section, subsection, or statement in this policy without prior notice is retained by Mechworks. It should be noted that the benefit programs described herein are explained in full detail in other documents.

These materials are presented, therefore, with the understanding that we are not engaged in rendering legal, accounting, or other professional service. If legal advice or other expert assistance is required, the services of a competent professional should be sought.

# Table of Contents

[www.mechworksinc.com](http://www.mechworksinc.com)

<b>Introduction</b> .....	<b>4</b>
Receipt of Company Employee Handbook.....	4
Welcome and Purpose.....	5
<b>Employment Policies</b> .....	<b>6</b>
Employment Termination .....	6
Equal Employment Opportunity .....	8
I-9 Immigration Reform Policy .....	8
<b>Workplace Conduct</b> .....	<b>9</b>
Complaint Policy .....	9
Disciplinary Action Policy.....	10
Drug-Free Workplace Policy .....	11
Violence-Free Workplace .....	12
Workplace Harassment Policy.....	13
<b>Employee Benefits</b> .....	<b>15</b>
COBRA Benefits .....	15
Employer-Offered Insurance .....	16
401 K Plan offered with Employer Match.....	17
Federal Family and Medical Leave.....	18
Lunch and Rest Periods .....	24
Military Leave Policy .....	25
Personal Time Off/ Vacation Policy .....	26
Attendance Policy .....	28
Background Checks .....	28
Company Vehicle Policy .....	29
Confidential Information and Company Property .....	31
Conflicts of Interest.....	32
Dress Code .....	33
Driving While on Company Business.....	35
Educational Assistance .....	36
Employee Classification .....	38
Employment of Relatives.....	39
Flexible Schedules .....	40
Improper Payments and Gifts .....	40
Inclement Weather .....	41
Orientation Period.....	41
Overtime Pay .....	42
Pay Periods.....	42
Performance Evaluations .....	43
Personnel Records.....	43
Phone Calls .....	44
Reporting Injuries & Illnesses .....	45
Safety Rules .....	45
Smoke-Free Environment.....	46

# Table of Contents

---

Standards of Conduct.....	47
Time Card Regulations .....	48
Workers' Compensation .....	48
<b>Employee Handbook: Appendix .....</b>	<b>49</b>
Time off, Vacation, Leave Request.....	50
Supervisor Accident Report.....	51
Employee Warning.....	52
Application & Request for Educational Reimbursement.....	53

## **Introduction**

### **Receipt of Company Employee Handbook**

The Employee Handbook (sometimes called a Personnel Policy Manual, and referred to as the “Manual”) is a compilation of personnel policies, practices and procedures currently in effect at Mechworks Mechanical Contractors, Inc. (referred to as Mechworks, Inc.) an equal opportunity employer.

*This Manual is designed to introduce employees to the organization, familiarize you with Company policies as they pertain to you as an employee, provide general guidelines on work rules, disciplinary procedures and other issues related to your employment, and to help answer many of the questions that may arise in connection with your employment.*

*This Manual and any other provisions contained herein do not constitute a guarantee of employment or an employment contract, express or implied. You understand that your employment is “at-will” and that your employment may be terminated for any reason, with or without cause, and with or without notice. Only the CEO or other authorized representative(s) of Mechworks, Inc. has the authority to enter into a signed written agreement guaranteeing employment for a specific term. This Manual is intended solely to describe the present policies and working conditions at Mechworks, Inc.. This Manual does not purport to include every conceivable situation; it is merely meant as a guideline, and unless laws prescribe otherwise, common sense shall prevail. Of course, Federal, state, and/or local laws will take precedence over Mechworks, Inc. policies, where applicable.*

*Personnel Policies are applied at the discretion of Mechworks, Inc. and reserves the right to change, withdraw, apply, or amend any of our policies or benefits, including those covered in this Manual, at any time. Mechworks, Inc. may notify you of such changes via email, posting on the Company’s Intranet, Portal or Website, or via a printed memo, notice, amendment to or reprinting of this Manual, but may, in its discretion make such changes at any time, with or without notice and without a written revision of this Manual.*

By signing below, you acknowledge that you have reviewed a copy of Mechworks Mechanical Contractors, Inc. Employee Handbook, and understand that it is your responsibility to read and comply with the policies contained therein and any revisions made to it. Furthermore, you acknowledge that you are employed “at-will” and that this Manual is neither a contract of employment nor a legal document.

---

Signature

---

Date

---

Please print your full name

*Please sign and date one copy of this notice and return it to Human Resources.  
Retain a second copy for your reference.*

## Welcome and Purpose

This manual is designed to acquaint you with Mechworks, Inc. and provide you with general information about working conditions, benefits, and policies affecting your employment.

We, Mechworks Mechanical Contractors Inc., are an Equal Opportunity Employer in all personnel decisions.

The information contained in this Manual applies to all employees of Mechworks, Inc. Following the policies described in this Manual is considered a condition of continuous employment. However, nothing in this Manual alters an employee's "at-will" status. The contents of this Manual shall not constitute nor be construed as a promise of my employment or as a contract between the Company and any of its employees. The Manual is a summary of our policies, which are presented here only as a matter of information.

You are responsible for reading, understanding, and complying with the provisions of this Manual. Our objective is to provide you with a work environment that is constructive to both personal and professional growth.

# **Employment Policies**

## **Employment Termination**

1. Mechworks, Inc. and its employees share a working relationship defined as employment-at-will. Simply stated, employment-at-will means that in the absence of a specific written agreement, you are free to resign at any time, and Mechworks, Inc. reserves the right to terminate your employment for any reason (which does not violate any applicable law) with or without prior notice.
2. Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are a few examples of some of the most common circumstances under which employment is terminated:
  - Resignation – voluntary employment termination initiated by an employee.
  - Termination – involuntary employment termination initiated by Mechworks, Inc.
  - Layoff – involuntary employment termination initiated by Mechworks, Inc. for non-disciplinary reasons.
  - Absences – Unexcused absences without notice or excuse that extend for three consecutive days without notification to the business office.
  - Extended family or medical leave over 90 days – termination will occur to allow employee access to COBRA benefits of continuing insurance coverage.
3. If you wish to resign, you are requested to notify your manager of your anticipated departure date at least two weeks in advance. Of course, as much notice as possible is appreciated by Mechworks, Inc. and your coworkers. This notice should be in the form of a written statement.
4. In the case of termination due to resignation, retirement, or permanent reduction in the work force, your accrued vacation pay will be paid on a pro-rata basis.
5. Unused personal time is not paid upon termination. In the case of termination, any vacation or personal/sick time used in excess of accrued time will be deducted from your final paycheck given your prior written permission.
6. Furthermore, any outstanding financial obligations owed to Mechworks, Inc. will also be deducted from your final check given your prior written permission.
7. A meeting between you and your immediate manager will take place prior to your last day of work. A health insurance extension of benefits under COBRA regulations is available and is offered via mail to eligible employees. Office and truck keys, storage keys, Company equipment and tools, and building passes must be returned at this time. Final paychecks will be held by the Beaufort office until all items are returned.

8. If you leave Mechworks, Inc. in good standing, you may be considered for re-employment.
9. Final paycheck will be held until ALL Mechworks, Inc. tools and equipment have been checked in and verified as well as all personnel badges for any project whether civilian or military.

## Equal Employment Opportunity

It is our policy to provide equal employment opportunity to all individuals. We are committed to a diverse workforce. We value all employees' talents and support an environment that is inclusive and respectful. We are strongly committed to this policy, and believe in the concept and spirit of the law.

We are committed to assuring that:

- All recruiting, hiring, training, promotion, compensation, and other employment related programs are provided fairly to all persons on an equal opportunity basis;
- Employment decisions are based on the principles of equal opportunity. All personnel actions such as compensation, benefits, transfers, training, and participation in social and recreational programs are administered without regard to any characteristic protected by state, federal or local law; and
- Employees and applicants will not be subjected to harassment, intimidation, threats, retaliation, coercion or discrimination because they have exercised any right protected by law.

We believe in and practice equal opportunity. The Director of Human Resources serves as our Equal Opportunity Coordinator and has overall responsibility for assuring compliance with this policy. All employees are responsible for supporting the concept of equal opportunity and diversity and assisting our Company in meeting its objectives.

## I-9 Immigration Reform Policy

Mechworks, Inc. complies with the Immigration Reform and Control Act, employing only those persons who are legally eligible to work in the United States.

Mechworks, Inc. complies with the Immigration Reform and Control Act of 1986 by employing only United States citizens and non-citizens who are authorized to work in the United States. All employees are asked on their first day of employment to provide original documents verifying the right to work in the United States and to sign a verification form required by federal law (INS Form I-9). If an individual cannot verify his/her right to work within three days of hire, Mechworks, Inc. must terminate his/her employment.

## **Workplace Conduct**

### **Complaint Policy**

Mechworks, Inc. expects all employees to create an atmosphere free of discrimination and respect the rights of their co-workers.

In the event an employee experiences any job-related discrimination or harassment based on race, color, religion, gender, sexual orientation, national origin, age, disability, marital status, amnesty, veteran-status, or believe they have been treated in an unlawful, discriminatory manner or have been unlawfully harassed, promptly report the incident to a supervisor. If an employee believes it inappropriate to discuss the matter with their supervisor, it should be directly reported to human resources. Once made aware of your complaint, Mechworks, Inc. is committed to commence an immediate, thorough investigation of the allegations. Complaints will be kept confidential to the maximum extent as possible.

If, at the completion of an investigation, Mechworks, Inc. determines that an employee is guilty of discriminatory or harassing behavior, appropriate disciplinary action will be taken against the offending employee.

Mechworks, Inc. prohibits any form of retaliation against any employee for filing a bona fide complaint under this policy, or for assisting in the complaint investigation. However, if, after investigating any complaint of unlawful discrimination, Mechworks, Inc. determines that an employee intentionally provided false information regarding the complaint, disciplinary action may be taken against the one who gave the false information.

## Disciplinary Action Policy

Mechworks, Inc. reserves the right to terminate an employee at any time for any lawful reason with or without prior disciplinary counseling or notice. Nothing in this Handbook or any other Mechworks, Inc. document is intended to:

- Modify this “at-will” employment,
- Promise progressive discipline or disciplinary counseling,
- Promise notice in circumstances where Mechworks, Inc. considers immediate termination or discipline to be appropriate.

Disciplinary actions may entail verbal, written, final warnings, suspension, or termination. All of these actions may not be followed in some instances. Mechworks, Inc. reserves the right to exercise discretion in discipline. Prior warning is not a requirement for termination. If you are disciplined in writing, copies of your warnings are placed in your personnel file.

Mechworks, Inc. reserves the right to take any disciplinary action it considers appropriate, including termination, at any time. In addition to those situations discussed elsewhere in this handbook, listed below are some other examples where immediate termination could result. This list is general in nature and is not intended to be all-inclusive:

- Discourtesy to a customer, provider, or the general public resulting in a complaint or loss of good will.
- Refusal or failure to follow directives from a supervisor, manager, or Mechworks, Inc. officer.
- Breach of confidentiality relating to employer, employee, and customer, or provider information.
- Altering, damaging, or destroying Company property or records, or another employee’s property.
- Dishonesty.
- Providing false or misleading information to any Mechworks, Inc. representative or on any Mechworks, Inc. records including the employment application, benefit forms, time cards, expense reimbursement forms, etc.
- Fighting or engaging in disorderly conduct on Mechworks, Inc.’s or customer’s premises.
- Violations of any of Mechworks, Inc.’s employment policies including, but not limited to, confidentiality, security, solicitation, insider trading, conflict of interest, and code of conduct.
- Conduct or performance issues of a serious nature.
- Failure of a drug or alcohol test or refusal of a random drug screen as required by our Drug-Free Workplace Policy.

## Drug-Free Workplace Policy

We recognize alcohol and drug abuse as potential health, safety and security problems. It is expected that all employees will assist in maintaining a work environment free from the effects of alcohol, drugs or other intoxicating substances. Compliance with this substance abuse policy is made a condition of employment.

Employees are prohibited from the following when reporting for work, while on the job, on Company or customer premises or surrounding areas, or in any vehicle used for Company business:

- The unlawful use, possession, transportation, manufacture, sale, dispensation or other distribution of an illegal or controlled substance or drug paraphernalia;
- The unauthorized use, possession, transportation, manufacture, sale, dispensation or other distribution of alcohol; and
- Being under the influence of alcohol or having a detectable amount of an illegal or controlled substance in the blood or urine (“controlled substance” means a drug or other substance as defined in applicable federal laws on drug abuse prevention).

Any employee violating these prohibitions will be subject to disciplinary action up to and including termination.

Any employee convicted under any criminal drug statute for a violation occurring while on the job, on Company or customer premises, or in any vehicle used for Company business must notify the Company no later than 5 days after such a conviction. A conviction includes any finding of guilt or plea of no contest and/or imposition of a fine, jail sentence, or other penalty.

Drug and alcohol testing will be carried out in compliance with any applicable state and federal laws and regulations.

We recognize that employees suffering from alcohol or drug dependence can be treated. We encourage any employee to seek professional care and counseling prior to any violation of this policy.

## Violence-Free Workplace

It is Mechworks, Inc.'s policy to provide a workplace that is safe and free from all threatening and intimidating conduct. Therefore, Mechworks, Inc. will not tolerate violence or threats of violence of any form in the workplace, at work-related functions, or outside of work if it affects the workplace. This policy applies to Mechworks, Inc. employees, clients, customers, guests, vendors, and persons doing business with Mechworks, Inc.

It will be a violation of this policy for any individual to engage in any conduct, verbal or physical, which intimidates, endangers, or creates the perception of intent to harm persons or property. Examples include but are not limited to:

- Physical assaults or threats of physical assault, whether made in person or by other means (i.e., in writing, by phone, fax, or e-mail).
- Verbal conduct that is intimidating and has the purpose or effect of threatening the health or safety of a co-worker.
- Possession of firearms or any other lethal weapon on Company property, in a vehicle being used on Company business, in any Company owned or leased parking facility, or at a work-related function.
- Any other conduct or acts which management believes represents an imminent or potential danger to work place safety/security.

Anyone with questions or complaints about workplace behaviors which fall under this policy may discuss them with a supervisor or a Human Resources representative. Mechworks, Inc. will promptly and thoroughly investigate any reported occurrences or threats of violence. Violations of this policy will result in disciplinary action, up to and including immediate termination of employees. Where such actions involve non-employees, Mechworks, Inc. will take action appropriate for the circumstances. Where appropriate and/or necessary, Mechworks, Inc. will also take whatever legal actions are available and necessary to stop the conduct and protect Mechworks, Inc. employees and property.

## Workplace Harassment Policy

Mechworks, Inc.'s policy is to provide a work environment that is free from harassment. Therefore Mechworks, Inc. will not tolerate harassment based on age, race, gender, color, religion, national origin, disability, marital status, covered veteran status, sexual orientation, status with respect to public assistance, and other characteristics protected under state, federal, or local law. Such conduct is prohibited in any form at the workplace, at work-related functions, or outside of work if it affects the workplace. This policy applies to all Mechworks, Inc. employees, clients, customers, guests, vendors, and persons doing business with Mechworks, Inc.

Sexual harassment, one type of prohibited harassment, warrants special mention. Sexual harassment has been defined according to Mechworks, Inc. guidelines as:

*Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:*

- *Submission to such conduct is made a term or condition, either explicitly or implicitly, of an individual's employment;*
- *Submission to or rejection of such conduct by an individual is used as a factor in decisions affecting that individual's employment; or*
- *Such conduct has the purpose or effect of interfering with an individual's work performance or creates an intimidating, hostile, or offensive working environment.*

Examples of conduct prohibited by this policy include, but are not limited to:

- Unwelcome sexual flirtation, advances, or propositions;
- Verbal comments related to an individual's age, race, gender, color, religion, national origin, disability, or sexual orientation;
- Explicit or degrading verbal comments about another individual or his/her appearance;
- The display of sexually suggestive pictures or objects in any workplace location including transmission or display via computer;
- Any sexually offensive or abusive physical conduct;
- The taking of or the refusal to take any personnel action based on an employee's submission to or rejection of sexual overtures; and
- Displaying cartoons or telling jokes which relate to an individual's age, race, gender, color, religion, national origin, disability, or sexual orientation.

*~ Workplace Harassment Policy ~*

If you believe that you are being subjected to workplace harassment, you should:

1. Tell the harasser that his or her actions are not welcome and they must stop, if you feel comfortable enough to do so.
2. Report the incident immediately to your supervisor/manager, the site Human Resources representative, or the Employee Relations Department.
3. Report any additional incidents or retaliation that may occur to one of the above resources.

Any reported incident will be investigated immediately and thoroughly. Complaints and actions taken to resolve complaints will be handled as confidentially as possible, given Mechworks, Inc.'s obligation to investigate and act upon reports of such harassment. Appropriate actions will be taken by Mechworks, Inc. to stop and remedy any and all such conduct, including interim measures during a period of investigation.

Retaliation of any kind or discriminating against an employee who reports a suspected incident of harassment or who cooperates in an investigation is prohibited. An employee who violates this policy or retaliates against an employee in any way will be subject to disciplinary action up to and including immediate termination.

## **Employee Benefits**

### **COBRA Benefits**

Mechworks, Inc. complies with the federal law, Consolidated Omnibus Budget Reconciliation Act of 1985, P.L. 99 272, and later amendments, otherwise known as COBRA. Covered employees and their dependants who lose insurance coverage for any of the following reasons are eligible to continue their coverage through COBRA: termination, reduction in working hours, divorce or legal separation, death of the employee, eligibility for Medicare or loss of dependent child status under the insurance plan. All administrative rules and processes as well as changes in plan benefits and premiums apply to those on continuation coverage.

In the event of divorce or legal separation, or the loss of dependent child status under the plan, a covered employee or dependent must notify Human Resources within 60 days to maintain the right to continue coverage. At that time, Human Resources will provide enrollment materials to the employee or covered dependent within 14 days of that notification.

The covered employee or dependent has 60 days to elect continuation of coverage from either the date that coverage would ordinarily have ended under the plan by reason of a qualifying event or the date of notification, whichever comes later. Election of continuation of coverage is established by completing and returning enrollment materials to Human Resources.

COBRA premiums will be billed by the applicable insurance provider, and the first premium will be due within 45 days of the date of election. Subsequent premiums must be received within the terms set forth by the provider. Failure to make timely payments will result in termination of coverage without notice.

Continuation of COBRA coverage will end for any of the following reasons: Mechworks, Inc. discontinues its insurance plan, the premium payment is not made in a timely fashion, and the person who elected continuation of coverage becomes covered under another insurance plan or Medicare. Continuation coverage will end after 18 months if the qualifying event was termination or reduction in hours, unless the qualified beneficiary is disabled at the time of termination or reduction in hours, in which case coverage may extend to 29 months. Continuation coverage will otherwise end after 36 months.

**NOTE: State COBRA Laws differ—check with your legal advisor to make sure that the provision in your handbook is in compliance with your state and federal COBRA laws. COBRA is not applicable to all employers.**

## Employer-Offered Insurance

Mechworks, Inc. provides group carrier health, dental and vision insurance plans to all full-time employees. Coverage is offered either on an individual or family plan, in which Mechworks, Inc. pays for 70 percent of the monthly individual premium and the additional premium that is charged for dependent medical coverage is the responsibility of the employee. The employee pays 30 percent of the monthly individual premium and 100 percent of any additional chosen dependent coverage through payroll deductions.

Elective insurance coverage begins on the first day of the first month following 90 days of full-time employment. Employees who wish to enroll after 90 calendar days of full-time employment may do so at that time. Current part-time employees who become full-time employees will be notified by Human Resources when they are eligible to enroll.

As a result of termination, reduction in work hours, injury or illness or in the event that an employee is on a military, jury duty or other leave of absence, an employee may be eligible to continue Mechworks, Inc.'s group coverage by paying a monthly premium. If the employee satisfies eligibility requirements for coverage continuation and is terminated, has his/her work hours reduced, is on a leave of absence for a work-related injury or illness, is on an approved military leave, COBRA Continuation coverage is available. For continuation of coverage the employee is responsible for the full payment of the premium, paperwork will be sent to the employee at current address on file by COBRA Continuation Services. All COBRA paperwork must be completed by employee. Directions and questions are handled by COBRA services.

**Employees are urged to consult the insurance summary plan description for details of the plan benefits. The plan document controls payment of any benefits.**

Group insurance is an employee benefit in which an employee is not required to enroll. There will be no increase in wages if an employee waives coverage. For inquiries, contact the Human Resources department.

**NOTE: This section will need to be customized based on your benefit offerings.**

**Carolina Benefits Specialists**  
905 E. Arlington Blvd, Suite A  
Greenville, NC 27858  
Phone: 252-355-4166 (1-800-850-4766)  
Fax: 252-355-3589  
**Wendy Maready or Ashley Grubb**

Blue Cross & Blue Shield Medical Insurance and Life Insurance  
Dental is also offered from Companion Life

## 401 K Plan offered with Employer Match

Mechworks, Inc. offers a 401 K Retirement Plan with Edward Jones Company and Mass Mutual Financial Group.. Employees can choose to participate after one full year of full time employment, the open period is held twice a year, January and July. Mechworks, Inc. does match the contribution up to and not to exceed 4% of the employee's gross salary. Deductions are made weekly and the match is paid weekly to Mass Mutual Financial Group within 7 days of the payroll date. All choices for investment are made by the employee and the matching funds are invested with the same percentage allocation.

Business Partner for 401 K Retirement Plan is:

**Edward Jones**

**Kevin Orr, Financial Advisor**

613 Cedar Street, Suite B

Beaufort, NC 28516

Phone: 252-728-6641

Fax: 877-515-3178

Kevin.orr@edwardjones.com

## Federal Family and Medical Leave

As an eligible employee of Mechworks, Inc., you are allowed to take unpaid Family and/or Medical Leave under federal law, the Family and Medical Leave Act (FMLA).

### Eligibility

To be eligible for leave, you must be employed by the Company for at least 12 months. In addition, in the 12 months immediately preceding the beginning of the leave, you must have worked at least 1,250 hours to qualify for federal FMLA. In addition, you must work in an office or work site where 50 or more employees are employed within 75 miles of that office or work site.

### Amount of Leave Available

As stated above, eligible employees are generally eligible for *up to* a total of 12 weeks of protected leave within a rolling twelve-month period, measured backward from the date an employee uses any Federal leave for any combination of reasons.

Under the federal FMLA, spouses employed by the Company are jointly entitled to a combined total of 12 weeks of family leave for the birth or placement of a child for adoption or foster care, and to care for a parent who has a serious health condition. (The federal FMLA does not cover care for a parent-in-law.)

### Types of Leave Available

**Birth or Placement for Adoption or Foster Care:** Family leave is available to eligible male and female employees for the birth of a child or for placement of a child with the employee for purposes of adoption or foster care. Federal leave must be completed within 12 months of the birth or placement.

*Non-continuous leave.* Federal leave may not be taken intermittently. See below for more details on intermittent leave.

*Certification process.* The need for leave must be documented by your treating healthcare provider through our medical certification process (see below) or documented proof of placement of a child.

**Serious Health Condition of Employee:** If, as an eligible employee, you experience a *serious health condition* as defined by federal law, you may take medical leave under this policy (see “Definitions” for the definition of serious health condition). A serious health condition generally occurs when you:

- Receive inpatient care in a hospital, hospice or nursing home;

~ *Federal Family and Medical Leave* ~

- Suffer a period of disability accompanied by continuing outpatient treatment/care by a healthcare provider; or
- Have a history of a chronic condition that may cause episodes of disability.

*Non-continuous leave.* Medical leave may be taken all at once or, when medically necessary, intermittently (see below).

*Certification process.* The need for leave must be documented by your treating healthcare provider through our medical certification process (see below).

*Fitness-for-duty statement.* A fitness-for-duty statement will be required in order for you to return from a medical leave. Failure to provide the statement will result in a delay in the return to work.

**Serious Health Condition of Immediate Family Member:** If, as an eligible employee, you need family leave in order to care for your son, daughter, spouse or parent who experiences a serious health condition as defined by federal law (see “Definitions” for definitions of child, spouse, parent and serious health condition), you may take medical leave under this policy.

*Non-continuous leave.* Medical leave may be taken all at once or, when medically necessary, intermittently (see below).

*Certification process.* The need for leave must be documented by the family member’s treating healthcare provider through our medical certification process (see below).

## **Notifying the Company of the Need for Family or Medical Leave**

Generally, an application for leave must be completed for all leave taken under this policy. The need to take non-emergency leave should generally be requested from the Human Resources department at least 30 days, or as soon as practicable, in advance of the need. In cases of emergency, verbal notice should be given as soon as possible (or by your representative if you are incapacitated), and the application form should be completed as soon as practicable. Failure to provide adequate notice may, in the case of foreseeable leave, result in a delay or denial of the leave. It is your responsibility to notify your manager and Human Resources of absences that may be covered by FMLA.

You must provide sufficient information regarding the reason for an absence for the Company to know that protection may exist under this policy. Failure to provide this information within two working days of your return to work will result in forfeiture of rights under this policy. This means the absence may then be counted against your record for purposes of discipline for attendance, etc.

## **Medical Certification Process**

In addition to an application for leave, you will be required to complete a medical certification form where leave is for a family member's or your own serious health condition. The certification form needs to be signed by the health care provider. The short-term disability certification may be sufficient where the information required is duplicative. These forms are available from Human Resources. Second or third certifications from health care providers and periodic re-certification at the Company's and/or your expense may be required under certain circumstances.

We may also require periodic reports during federal FMLA leave regarding your status and intent to return to work.

## **Substituting Paid Leave for Unpaid Leave**

Federal FMLA leave is unpaid. The Company requires you to substitute vacation days according to the schedule below. You may also choose to substitute additional paid or unpaid leave that you have accrued.

<b><u>Eligible Vacation Remaining</u></b>	<b><u>Required Substitution</u></b>
Less than 5 days	None
5-8 days	3 days
9-12 days	5 days
13-16 days	7 days
17-20 days	9 days

When an employee is absent due to a work-related illness or injury that meets the definition of a serious health condition, the absence will be counted against the employee's entitlement under this policy. In other words, the employee is using FMLA leave concurrently with the workers' compensation absence. An employee is not required to substitute paid time off for an absence covered under workers' compensation.

You may be paid for all or part of a medical leave to the extent you are eligible for benefits such as short-term disability.

## **Non-Continuous Leave**

Intermittent and/or reduced leave will be permitted only when it is medically necessary as explained above. In all cases, the total amount of leave taken in a calendar year should not exceed your total allotment as defined earlier in this policy.

Intermittent and reduced schedule leave must be scheduled with minimal disruption to an employee's job. To the extent an employee or immediate family member has control, medical appointments and treatments related to an employee's or immediate family member's serious health condition should be scheduled outside of working hours or at such times that allow for a minimal amount of time away from work.

If you request non-continuous federal FMLA leave which is foreseeable based on planned medical treatment for purposes of providing care to a child, spouse or parent with a serious health condition or for your own serious health condition, you may be required to transfer temporarily to an available alternative position offered by the Company for which you are qualified and which better accommodates recurring periods of leave than your regular employment position. You will be entitled to equivalent pay and benefits, but will not necessarily be assigned the same duties in the alternative position.

## **Benefit Continuation During Leave**

The Company will maintain group health insurance coverage and other employment benefits (such as group life insurance, AD&D, health and dependent flexible spending accounts, etc.) for you while on FMLA leave whenever such insurance was provided to you before the leave was taken and on the same terms as if you had continued to work. You will be required to pay your regular portion of insurance premiums – contact Human Resources for an explanation of your options.

Benefits that are accumulated based upon hours worked shall not accumulate during the period of FMLA leave.

In some instances, the Company may recover premiums it paid to maintain health insurance coverage for an employee who fails to return to work from FMLA leave.

## **Returning to Work**

If the reason for FMLA leave is for your own serious health condition, you will be required to present a Fitness-For-Duty certification immediately upon return to work.

If you wish to return to work before the scheduled expiration of an FMLA leave, you must notify the Company of the changing circumstances as soon as possible but no later than two working days prior to your desired return date.

~ *Federal Family and Medical Leave* ~

An employee who fails to return to work immediately after the expiration of the leave period will be considered to have voluntarily terminated his/her employment.

## **Rights Upon Return From Leave**

Upon return from Family or Medical Leave, you will be returned to the position you held immediately prior to the leave if the position is vacant. Certain exceptions exist for Key Employees as defined by law. If the position is not vacant, you will be placed in an equivalent employment position with equivalent pay, benefits, and other terms and conditions of employment. If you exhaust all leave under this policy and are still unable to return to work, your situation will be reviewed to determine what rights and protections might exist under other Company policies.

The law provides that an employee has no greater rights upon a return from leave than the employee would have if the employee had continued to work. Therefore, you may be affected by a layoff, termination or other job change if the action would have occurred had you remained actively at work.

*If you do not qualify for the types of leave described in this policy, we may approve a personal leave of absence, depending on your circumstances. Except where mandated by law, we cannot guarantee that benefits will continue or that your position will remain open in your absence.*

*This policy provides an introduction to the rights and provisions of the federal FMLA. Questions you may have about this law should be directed to Human Resources.*

## **Definitions**

### ***“Spouse”***

A husband or wife as defined or recognized under state law for purposes of marriage in the state where the employee resides.

### ***“Parent”***

A biological parent or an individual who provides or provided day-to-day care and financial support to the employee when the employee was a child. This includes foster parent, adoptive parent, step-parent, and legal guardian. Parent does not mean a parent-in-law.

### ***“Child”***

A biological, adopted or foster child, stepchild, legal ward, or under the federal FMLA, the child of a person having day-to-day care and financial responsibility for the child. Child includes a person 18 years of age or older who is incapable of self-care because of a mental or physical disability.

***“Incapable of self care”***

The child requires active assistance or supervision to provide daily self care in three or more “activities of daily living,” or “instrumental activities of daily living,” including adaptive activities such as caring appropriately for one’s grooming and hygiene, bathing, dressing, eating, or instrumental activities such as shopping, taking public transportation, maintaining a residence, etc.

***“Physical or mental disability”***

A physical or mental impairment that substantially limits one or more major life activities of the individual.

***“Serious Health Condition”***

Illness, injury, impairment or physical or mental condition that involves:

- Inpatient care in a hospital, hospice or residential medical care facility
- A period of incapacity of more than three consecutive calendar days (including any subsequent treatment or period of incapacity relating to the same condition) that also involves: 1) treatment two or more times by or under the orders of a health care provider; or 2) treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of a health care provider
- Any incapacity due to pregnancy or for prenatal care
- Chronic conditions requiring periodic treatment by or under the supervision of a health care provider which continue over an extended period of time and may cause an episodic rather than a continuing period of incapacity (e.g., asthma, diabetes, epilepsy, etc.)
- Permanent/long-term conditions requiring supervision for which treatment may not be effective (e.g., Alzheimer’s, a severe stroke, or the terminal stages of a disease)

Multiple treatments by or under the supervision of a health care provider either for restorative surgery after an accident or other injury or for a condition that would likely result in a period of incapacity of more than three calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy), severe arthritis (physical therapy) or kidney disease (dialysis).

## Lunch and Rest Periods

### **Lunch Periods**

Employees are allowed an unpaid [30 minute] lunch break. Lunch breaks generally are taken between the hours of 11:30 and 12:30. The schedule for meal periods should be established on the basis of work requirements in each office. Staggered meal periods may be necessary in customer service locations. Supervisors should be sure that each location is adequately staffed and that someone with authority to resolve minor problems is available at all times.

### **Rest Periods**

Two paid rest periods of 15 minutes each should be permitted each day. The schedule for these breaks should depend completely on the needs of each office.

Rest periods are considered time worked, and employees will receive compensation for such periods.

## **Military Leave Policy**

### **Leave for Annual Training**

Employees who are members of the U.S. Army, Navy, Air Force, Marines or Coast Guard reserves or the National Guard may be granted leaves of absence for the purpose of participating in reserve or National Guard training programs.

Employees shall be granted the minimum amount of leave needed to meet the minimum training requirements of their units. No employee will be required to use vacation time for military duty, but employees who do elect to schedule their vacations to coincide with military duty will receive their full regular vacation pay in addition to any pay from the military.

### **Leave for Active Reserve or National Guard Duty**

Permanent employees who are members of the U.S. Army, Navy, Air Force, Marines or Coast Guard reserves or the National Guard may be granted leaves of absence for the purpose of participating in active duty tours.

Employees will be granted leave as required to complete the tour of duty, for up to five (5) years of cumulative uniformed service-related absences. There are some exceptions that may apply that are exempt from counting towards this five year accumulation.

Employees with leaves of less than 31 days must report back to work by the beginning of the first regularly scheduled work period after the end of the last calendar day of duty, plus the time required to return home safely and have an eight hour rest period.

Employees with leaves between 31 and 180 days must apply for re-employment no later than fourteen (14) days after completion of uniformed service. Employees with leaves longer than 180 days must apply for re-employment no later than ninety (90) days after completion of uniformed service.

## Personal Time Off/ Vacation Policy

Mechworks, Inc. believes that employees should have opportunities to enjoy time away from work to help balance their lives. For this reason, we provide a program of Paid Time Off (PTO) to all full-time employees.

PTO is a time-off-with-pay program to provide employees with the freedom to decide how to use their personal time off. Mechworks, Inc. believes this program offers more liberal time off with pay, than traditional vacation, sick, and personal time packages. Employees can use their flexible days in a number of different ways, for example:

- As vacation
- For personal business
- For periods of illness
- For doctor or dental appointments
- For personal emergencies
- For family emergencies
- In the event of inclement weather/driving conditions.

PTO does not replace the company holiday schedule; we will continue to have compensated holidays each year.

### **Eligibility for PTO:**

All full-time employees are eligible to earn PTO on a yearly basis. Full-time employees earn PTO by working at least for one full year.

### **Employee PTO Accrual Table:**

- 1) 0-5 years service: 40 hours per year
  - A) The first 2 years a Coworker works, paid personal time is accrued yearly, with the paid personal time allotted at the end of the year.
  - B) After 2 full years of employment, paid personal time is accrued on a monthly basis at a rate of 3.33 hours per full month of employment.
- 2) More than 5 years service: 80 hours per year (6.67 hours per month)

Office Personnel are allotted 40 hours at the end of 1 full year of employment and accrues at the same rate between 1 and 2 years employment as stated above.

## *Paid Time Off Policy ~*

### **Use and Management of PTO:**

Mechworks, Inc. encourages employees to use their PTO responsibly and, whenever possible, to schedule time off in advance for vacations or personal leave appointments. The time off request will be evaluated and subject to approval depending upon staffing needs at the time. Mechworks, Inc. understands there may be occasions, such as a sudden illness, when you may not be able to give sufficient advance notice. In those situations however, be sure to inform your supervisor as soon as possible.

PTO time also includes time off for unexpected emergencies or illnesses, but is not to be used to cover time missed from work due to tardiness, except in the case of inclement weather.

### **Procedure**

All employees are required to submit a written request for PTO at least 2 weeks prior to the date they wish their time off to begin. This form should be submitted to the department supervisor/manager, who will forward it to the human resources department for approval. Supervisors/managers will resolve conflicting leave requests within a department by considering factors such as:

- Departmental staffing needs
- Seniority
- Length of desired time off

### **Holidays**

The following is a list of paid Holidays for Full Time Employees of Mechworks, Inc.:

- New Year's Day
- Memorial Day
- July 4<sup>th</sup>
- Labor Day
- Thanksgiving Day
- Christmas Day

## Attendance Policy

1. Mechworks, Inc. expects that every employee will be regular and punctual in attendance. This means being in the office or on the project, ready to work, at their starting time each day. Absenteeism and tardiness places a burden on other employees and on Mechworks, Inc.
2. When you are unable to work owing to illness or an accident, please promptly notify your supervisor and the business office where employed. In the event your immediate supervisor is unavailable, you must speak with a manager. Leaving a message with another staff member or on voicemail does not constitute an accepted notification of absence. If you do not report for work and Mechworks, Inc. is not notified of your status, it will be assumed after two consecutive days of absence that you have resigned, and you will be removed from the payroll.
3. If you become ill at work or must leave the project for some other reason before the end of the workday, be sure to inform your supervisor of the situation.
4. In the event of inclement weather, we remain open for business during regularly scheduled working hours. You are expected to report for work in inclement weather if it is at all possible to do so safely. In the event we close due to inclement weather, someone in your work group will contact you. Please keep your work group and manager informed on how to reach you on such occasions. See also, Inclement Weather Policy.
5. Should undue tardiness or absenteeism become apparent, disciplinary action up to and including discharge may be required; written and verbal warnings will be given for both.

## Background Checks & E-Verify

Mechworks, Inc. conducts background checks on all job candidates post job offer. Mechworks, Inc. may also use a third party administrator to conduct the background check. The type of information that may be collected is as follows: criminal background check, DMV record, drug screening, employment history, education, credit and professional or personal references. Mechworks, Inc. also participates in E-Verify and each employee will be run through the E-Verify system post job offer.

This information may also be sought out during reassignment or promotional periods.

Mechworks, Inc. will conduct background checks in compliance with the federal and state statutes of the Fair Credit Reporting Act. The employee will receive a copy of the report and a description of his/her rights under the Act.

## Company Vehicle Policy

Mechworks, Inc. provides vehicles for business use to allow employees to drive on company-designated business and to reimburse employees for business use of personal vehicles according to the following guidelines. Mechworks, Inc. retains the right to amend or terminate this policy at any time.

1. Mechworks, Inc. employees may not drive any business vehicles without prior approval. Before being approved to operate a company vehicle, an employee's driving records will be reviewed, with consent of employee, and the existence of a valid driver's license will be verified. Employees approved to drive on company business are required to inform Mechworks, Inc. of any changes that may affect either their legal or physical ability to drive or their continued insurability.
2. Employees holding jobs requiring regular driving for business as an essential job function must, as a condition of employment, be able to meet the driver approval standards of this policy at all times. For all other jobs, driving is considered only an incidental function of the position.
3. If possible, company vehicles will be permanently assigned to departments that have demonstrated a continued need for them. Additional vehicles are maintained in a motor pool for use by individual employees, as needed.
4. Employees who need transportation in the course of their normal work may be assigned a company vehicle for their use. All other employees needing transportation for company business may use vehicles assigned to their department or drawn from the motor pool. As a last alternative, when no company vehicles are available, employees may use their own vehicles for business purposes with prior approval.
5. Employees who drive a vehicle on company business must, in addition to meeting the approval requirements above, exercise due diligence to drive safely and to maintain the security of the vehicle and its contents. Employees are also responsible for any driving infractions or fines as a result of their driving.
6. Non-employees and non-business passengers (i.e. family members and friends) are prohibited from riding in company vehicles.
7. Employees must report any theft, or malicious damage involving a company vehicle, regardless of the extent of the damage. Such reports must be made as soon as possible, but no later than 48 hours after the incident. However, employees should make no voluntary statement other than in reply to questions of investigating officers.
8. Employees are not permitted, under any circumstances, to operate a company vehicle or a personal vehicle for company business when any physical or mental impairment causes the employee to be unable to drive safely. Additionally, employees shall not operate any company vehicle at any time or operate any personal vehicle while on company business

while using or consuming alcohol, illegal drugs or prescription medications that may affect their ability to drive. These prohibitions include circumstances in which the employee is temporarily unable to operate a vehicle safely or legally because of impairment, illness, medication or intoxication.

## Confidential Information and Company Property

During your employment by the Mechworks, Inc., you may have access to confidential and proprietary data which is not known by competitors or within the HVAC business generally. This information (hereinafter referred to as “Confidential Information”) includes, but is not limited to, data relating to the Company’s marketing and servicing programs, procedures and techniques; the criteria and formula used by the Company in pricing its products and services; the structure and pricing of special packages that the Company has negotiated; lists of customers and prospects; the identity, authority, and responsibilities of key contacts at Company accounts; the composition and organization of accounts’ businesses; the peculiar risks inherent in their operations; sensitive details concerning the structure, conditions, and extent of their existing products and services; contract expiration dates; commission rates; service arrangements; proprietary software, Web applications and analysis tools; and other data showing the particularized requirements and preferences of the accounts. This Confidential Information constitutes a valuable asset of the Company, developed over a long period of time and at substantial expense.

To protect the Company’s interest in this valuable asset, you must (a) not use any such Confidential Information for your personal benefit or for the benefit of any person or entity other than the Company, and (b) use your best efforts to limit access to such Confidential Information to those who have a need to know it for the business purposes of the Company. In addition, you should minimize those occasions on which you take documents, computer disks, or a laptop containing such Confidential Information outside the office. On those occasions where it is necessary, consistent with the best interests of the Company and doing your job effectively, to take documents, a computer disk, or a laptop containing Confidential Information outside the office, all appropriate precautionary and security measures should be taken to protect the confidentiality of the information.

During the course of your employment with the Company, you will be provided and/or 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 disk, computer hard drive, computer tape, or other medium is the property of the Company, regardless of whether it is or contains Confidential Information. Upon termination of your employment at the Company, you are required to return all such records to the Company and may not retain any copy of any such records or make any notes regarding any 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.

## Conflicts of Interest

All employees have a duty to further the Company's aims and goals, and to work on behalf of its best interest. Employees should not place themselves in a position where the employee's actions or personal interests may be in conflict with those of the Company. Examples include soliciting or profiting from the Company's client/prospect base or other Company asset for personal gain, acting on behalf of the Company in servicing or obtaining a client and limiting the best solution for the client/prospect for personal financial gain, and acting as director, officer, employee, or otherwise for any business or institution with which the Company has a competitive or significant business relationship without the written approval of the President.

Employees should report to their manager any situation or position (including outside employment by the employee or any member of the employee's immediate household) which may create a conflict of interest with the Company.

## Dress Code

Your pride in both yourself and as a representative of our organization is reflected in your appearance and image you create. We feel our business image is important and request that our employees maintain standards of dress and appearance appropriate to the organization as a whole and your individual position responsibilities. Dress, grooming, personal cleanliness, and professional behavior standards contribute to the professional image we present to our customers and visitors. Therefore, while performing duties for our organization employees are expected to dress in attire appropriate to the business environment and to behave in a professional and businesslike manner at all times to best represent our business.

### Guidelines:

- Due to the nature of our business and our continuous client contact, the employees at Mechworks, Inc. have followed a more traditional business attire dress policy. Our formal dress guidelines now include a more relaxed dress or “Business Appropriate” dress, which we feel is in the best interest of Mechworks, Inc., our employees and our clients (please see below).
- Employees may dress according to the requirements of their position, however our beliefs regarding business appropriate dress is that business is always first. This means that employees should keep their day’s schedule in mind. We recognize that different levels of dress may be appropriate for different occasions. As a general rule, when meeting with clients, prospects, or outside visitors, traditional business attire should always be worn except where it doesn’t make good business sense.
- All employees should judge their business attire for meetings and contacts outside of the office by the type of function that will be attended. Also, on occasion there may be a specific business reason to require that all employees dress in traditional business attire. In such instance this will be communicated to employees in advance and they will be required to dress accordingly. Field employees – All employees will be required to wear a shirt with Mechworks logo on it, long blue jeans or “dickie slacks” are acceptable for pants. Steel toe shoes and hard hats with bill facing forward per OSHA, at ALL times. Safety harness, safety glasses, earplugs and gloves as required per job description. All Military projects require a florescent vest or shirt to be worn at ALL times.
- Our business appearance and image is important to us. However, we respect individual preference and choice in dress and appearance. We are confident that employees will use their best judgment in following our dress and attire guidelines. We ask that at all times employees make certain that their appearance is well groomed and clean and that clothing is appropriate, neat, clean, and well-fitting. While relaxed business attire is acceptable within the stated guidelines, we want to be sure our environment does not jeopardize professionalism and productivity.

*~ Dress Code ~*

If an employee is unclear about our dress and appearance guidelines, they are encouraged to consult with their supervisor and/or our Human Resources staff. If an employee reports to work in questionable attire or appearance, a notification and/or discussion will occur with the employee to advise and counsel them regarding the inappropriateness of the attire.

Depending upon the circumstance the employee may also be sent home and directed to return to work in proper attire. Any work time lost will be expected to be made up by the employee. Continued or frequent departures from these guidelines will not be permitted and employees who appear for work inappropriately dressed or groomed may be disciplined up to and including termination.

## Driving While on Company Business

### **Purpose**

Driver inattention is a factor in a majority of motor vehicle accidents. We are not only concerned about your welfare as a Mechworks, Inc. employee, but also the welfare of others who could be put in harm's way by inattentive driving. As a driver, your first responsibility is to pay attention to the road. When driving on Mechworks, Inc. business, or driving while conducting business on behalf of the Company in any other manner, the following applies: **ALL NC State Laws including wearing seat belts must be followed at all times for all drivers and other employees.**

### **Cellular Phone Use**

Cell phone use while driving is a common, often harmful, distraction. We are concerned about your safety as well as the safety of others. For this reason, the use of cell phones while driving is strongly discouraged. Do not accept or place calls unless it is an emergency, meaning the call cannot wait until you safely pull off the road or arrive at your destination. If you must use your cell phone while driving, please use good judgment: keep the call short, use a hands-free device if available, get to know your phone and its features, and suspend conversations during hazardous driving conditions (rain, snow, ice, fog, glare, heavy traffic, etc.).

### **Obey the Law**

Mechworks, Inc. is not responsible for any moving traffic violations, parking tickets, or any other city ordinances or state/federal laws regarding your driving habits and operation/care of your personal motor vehicle. Any tickets issued are the employee's responsibility, even if the ticket is issued while conducting business for Mechworks, Inc.

### **Other Safe Driving Precautions:**

- Use better judgment when road conditions are poor. Limit or avoid driving when rain or snow threatens your safety.
- Make an effort to avoid distractions such as eating, applying makeup, paying too much attention to your radio/CD player, or other distracting behavior.
- Do not drive if your ability to drive safely is impaired by the influence of medications.
- Laptop computers should never be used at any time while driving.
- If using a vehicle not your own (rental or otherwise), be sure to properly adjust the mirrors and familiarize yourself with the vehicle's controls before operating.
- Be concerned for your coworkers' safety. Ask them to call you back at a safer time if they call you while driving.
- Employees who drive for company business must have a current, valid driver's license.

## Educational Assistance

Mechworks, Inc. is committed to developing and maintaining a high performance workforce and encourages its employees to continue to develop the knowledge and skills necessary to succeed in their jobs and provide optimum service to customers.

**Purpose:** The program provides financial assistance for approved courses, continuing education credits, certifications and licensing to support employees' development of skills and knowledge that will be of mutual benefit to both the employee and the Company. Scholarships are available and must be requested and approved in advance.

**Qualifications:** Must be an active full time or part-time regular employee. All educational opportunities must be approved in advance by the employee's manager.

**Technical Licensing/Continuing Education Credits:** A \_\_HVAC\_\_ license is required for several positions within Mechworks, Inc. Employees are responsible for maintaining their licensing requirements. We assist as follows: With advance approval, expenses or reimbursement for expenses may also be covered at 100% for initial licensing if the license is required for the individual's current position or where the Company agrees it is part of an individual's planned career path within the organization. Any education expenses must be approved in advance by the President and/or division manager. Mechworks, Inc. offers continuing education courses on-site throughout the year for the convenience of employees to maintain their certifications. However, in some instances, with advance approval, continued educational credits might also be obtained through outside vendors, clients, colleges, or universities. Approval will be determined based upon the value to the employee of the course content and whether the employee is taking advantage of the self-study and in-house training methods.

**Approval Procedure:** The application for participation in this program is to be made in writing using the "Application & Request for Educational Scholarship" form and submitted to the department manager and Human Resources for approval prior to commencement of the course. Upon approval, Human Resources sends the approved form to the employee.

**Reimbursement Procedure:** Following completion of the approved coursework, the employee submits the "Application & Request for Educational Reimbursement" form with evidence of satisfactory completion and receipts for expenses incurred for tuition. The documentation should be forwarded to Human Resources who will process reimbursement.

**Termination:** If an employee voluntarily terminates employment at any time within 18 months from receiving reimbursement under this program, (except for the costs related to C.E. credits), the employee is obligated to remit to the Company all or part of those education assistance monies received as reimbursement for expenses incurred. Remittance is required in the amount of one-eighteenth for each of the eighteen or fewer months remaining after termination. For example, an employee who terminates six months after receiving tuition assistance is forgiven six eighteenths or one-third of all expenses reimbursed, but is required to remit the balance. The employee agrees that any balance owed to the Company can be withheld from their final pay given their prior written permission or will be paid immediately

upon termination by the employee. Repayment is not required if the employee is terminated by a project manager.

**Additional Guidelines:** Courses or training received under this program should normally be held outside of working hours. The Company reserves the right to be selective in approving educational assistance, closely linking employees' jobs, Company/department budget and the specific training they pursue. Initial approval of education continuance, does not obligate the Company to continued approval of future courses. This program does not include costs associated with seminars/courses where attendance is required. Employee reimbursement upon satisfactory completion of the approved course/training will be the method of assistance. However, in the case of certification programs, where the full certification cost is required up front, Mechworks, Inc. may consider direct payment of some or all portions prior to the start of the training. The Company has the discretion to deny approval due to business needs, including the need to work flexible or longer hours, or where employee performance has been or could become unsatisfactory.

## Employee Classification

Employees are classified as either exempt or non-exempt for pay administration purposes, as determined by the federal Fair Labor Standards Act (FLSA).

*The definitions of the worker classification categories can be summarized as follows:*

**Exempt:** Management, supervisory, professional, sales or administrative employees, whose positions meet FLSA standards, are exempt from overtime pay requirements.

**Non-exempt:** Employees whose positions do not meet the FLSA exemption standards are paid overtime. Employees classified as non-exempt generally work in non-supervisory, non-professional or non-administrative capacities. Overtime work, however, is prohibited without specific supervisor authorization.

*In addition, each employee's status is defined as one of the following:*

**Full-time:** Employees who work a minimum of 32 hours per week are considered to be full-time. Such full-time employees are eligible for benefits after applicable requirements for length of service have been met.

Mechworks, Inc. supplements its regular work force with temporary or part-time employees to help compensate for workload, employee absences, or other situations. Management will determine which positions are permanent part-time and which are considered temporary or seasonal.

**Part-time:** Employees who work less than 32 per week are considered to be part-time. Employees who work 32 or less per week, or who work on a temporary project basis, will receive all legally mandated benefits (such as workers compensation and Social Security benefits), but are ineligible for other benefit programs.

**Temporary:** Temporary employees are those engaged to work either part-time or full-time on Mechworks, Inc.'s payroll, but have been hired with the understanding that their employment will be terminated no later than upon their completion of a specific assignment. This category includes interns and co-op students. Such employees may be either "exempt" or "non-exempt" but are not eligible for Mechworks, Inc. benefits except as mandated by law.

**Independent Contractors:** Consultants, freelancers or independent contractors are not employees of Mechworks, Inc. The distinction between employees and independent contractors is important because employees may be entitled to participate in the Company's benefits programs, while independent contractors are not. In addition, Mechworks, Inc. is not required to withhold income taxes, withhold and pay Social Security and Medicare taxes, or pay unemployment tax on payments made to an independent contractor.

## Employment of Relatives

Members of your immediate family will be considered for employment on the basis of their qualifications. Your immediate family may not be hired, however, if it would:

- Create a direct supervisor/subordinate relationship with a family member,
- Have the potential for creating an adverse impact on work performance, or
- Create either an actual conflict of interest or the appearance of a conflict of interest.

This policy must also be considered when hiring, assigning, or promoting an employee.

If a circumstance arises that results in a direct supervisory relationship between immediate family or close personal relatives (e.g., marriage, reduction-in-force, reorganization, priority placement), one of the relatives may be reassigned to an appropriate vacancy. During the period that a direct supervisory relationship exists between immediate family or close personal relatives, the supervisory relative will not be involved in any personnel action involving his/her relative. Typical first-level supervisory responsibilities will be referred to the next higher level in the supervisory chain.

For purposes of this policy, your immediate family includes: Mother, Father, Husband, Wife, Son, Daughter, Sister, Brother, Mother-in-law, Father-in-law, Sister-in-law, Brother-in-law, Son-in-law, Daughter-in-law, Stepchild, Stepparent, or Grandparent. This policy also applies to close personal relatives such as Uncle, Aunt, First Cousin, Nephew, Niece or Half-Sibling.

Questions should be directed to your supervisor or Human Resources Department.

## Flexible Schedules

Standard working hours are from 7:00 to 5:30, Monday through Thursday for the field. A 30 minute lunch period is taken as specified in the Manual and is mutually agreeable between the employee and supervisor. Some projects dictate a five day work week. In this case hours are changed for the project crew to meet project requirements. Friday work can be required at any time to meet project deadlines.

Lunch time: Employees must take either a one-hour or half-hour unpaid lunch period. Lunch should normally be taken between 11:30am and 1:30pm, but is mutually agreed upon between the employee and supervisor.

Employees cannot work through their lunch period to make up time unless supervisor approval is obtained. (Such occurrences should be infrequent.) Employees can not work through their lunch in order to leave jobsite earlier at the end of the day. Every employee will be docked for a 30 minute lunch whether taken or not taken.

## Improper Payments and Gifts

We prohibit the solicitation, acceptance, offer or payment to any person or organization of any bribe, kickback or similar consideration of any kind, including money, services or goods or favors (other than goods or favors which are nominal in amount and not prohibited by any federal, state or local law). Do not accept or give gifts, gratuities, entertainment or favors of such value or significance that their receipt might reasonably be expected to interfere with the exercise of independent and objective judgment in making or participating in the business decisions of Mechworks, Inc. or the party with whom Mechworks, Inc. is dealing.

## Inclement Weather

Mechworks, Inc. is open for business unless there is a declared State of Emergency. There may be times, however, when we will delay opening. Use common sense and your best judgment, however, when traveling to work in inclement weather.

If you arrive at work after the scheduled opening time, that time is charged to you as either (1) personal/sick time, (2) vacation time, or (3) unpaid time, in that order. You should always use your discretion in getting to work. Mechworks, Inc. attempts to accommodate individual situations by allowing the use of personal/sick time and vacation time in these situations.

## Orientation Period

For all employees hired by Mechworks, Inc., the first 90 days of employment are considered to be a trial period. During this time, the employee will undergo training and orientation as directed by the employee's supervisor. The employee's supervisor will also monitor the employee's performance.

During the first 90 days of employment, the employee is encouraged and expected to ask questions concerning his/her job responsibilities, and determine if he/she is satisfied with the position. If the employee's job performance is found to be unsatisfactory by his/her supervisor at any time during the first 90 days of employment, the employment will be terminated. The completion of this period does not create anything other than an "at-will" relationship.

All new employees will receive a confidential performance evaluation for their supervisor at the end of the orientation period. At that time, the employee will be eligible for employee benefits.

**Employment is "at will" both during and after the orientation period.**

**\*\* Please note "at will" employers may choose not to include this policy. Please check with your legal counsel.**

## Overtime Pay

Mechworks, Inc. shall compensate all hourly, non-exempt employees time and one-half for all hours worked in excess of 40 hours each week. The workweek begins on Monday morning (12:01 a.m.) and ends on Sunday at midnight (12:00 p.m.). Any Holiday pay or Personal Time off pay is paid at the regular hourly pay. Holiday & PTO pay does not qualify for overtime pay.

At times, employees will be asked to work overtime to complete necessary work tasks. The employee's supervisor will notify the employee as early as possible regarding his/her scheduling needs.

If an employee would like to work overtime hours, he/she must receive prior authorization from his/her supervisor in writing before working the overtime hours.

**NOTE:** State wage and hour laws differ—check with your legal advisor.

## Pay Periods

Employees of Mechworks, Inc. work a standard work week consisting of 40 hours from 7:00 A.M. until 5:30 P.M. Monday thru Thursday unless a project dictates different working hours. Employees will be paid on a weekly or monthly basis of each month. If these dates fall on a non-work day or holiday, employees will be paid on the last work day to prior to the 30<sup>th</sup>.

Employees will receive a 30 minute to one-hour lunch break during their shift, to be completed between 11:30 A.M. and 1:30 P.M.

All employee paychecks are distributed by ACH Debit pay system directly into his/her personal bank account. It is the responsibility of the employee to give the office the appropriate banking information which includes a voided check or banking sheet from the employee's bank. Any changes to banking information must be completed in writing such as changing banks or account numbers. Mechworks, Inc. will not be responsible for items called in to a fellow employee by phone.

## Performance Evaluations

Mechworks, Inc. is committed to providing you with feedback both formal and informal, about your performance on the job. Managers are responsible for on-going performance feedback. In addition, your manager may formally discuss and document your performance on a regular basis (generally on an annual basis). In some business units, an initial performance review may be conducted within three to six months after an employee begins a new job. Please contact Human Resources if you feel that an evaluation is due to you or would be helpful to you.

Your performance appraisal discussion will include a review of your strengths, identify any areas needing improvement, and goals and objectives that need to be achieved. Specific performance problems may be addressed outside the performance appraisal cycle through either informal discussions or formal disciplinary action.

Formal performance feedback becomes a permanent part of your personnel file.

## Personnel Records

Employee personnel files may include the following: (job application, job description, background check, resume, records of participation in training events, salary history, records of disciplinary action, and documents related to employee performance reviews, coaching, and mentoring). Personnel records are maintained on a current basis. Please notify us immediately of any change of name, address, telephone number, marital, dependent or tax status. Change in tax status should be issued in writing. Call the office and the forms will be placed in your pay stub envelope. Personnel records are kept highly confidential, and are not available to anyone outside of the Company unless you have authorized the release, or release is to an authorized governmental agency, or is required by law. To obtain access to your records, contact Human Resources.

## Phone Calls

### **Business Phone Calls:**

A great majority of our business is conducted over the phone making our telephone techniques extremely important. A friendly but businesslike telephone manner should always be projected. When you are away from your work area, make a habit of forwarding your phone to the appropriate extension.

### **Personal Phone Calls:**

We recognize that periodically, personal phone calls must be made or be received during the business hours. Such calls should be held at a minimum so that they do not interfere with the workflow.

### **Personal Cellular Phone Calls:**

In order to provide an optimum work environment, employees are expected to have cell phones turned off during work hours. Ringing cell phones are a distraction to other co-workers and can interfere with productivity. Cell phones should only be used during breaks/lunches and outside of the office. Flexibility will be provided in circumstances demanding immediate/emergency attention.

### **Voicemail:**

Voicemail was installed to help maintain our high quality of service for clients and to increase efficiency throughout the office. Voicemail will only be an option to the caller; the call will not be put directly into voicemail. It is recommended that employee greetings be changed daily. They should be brief and communicate your availability to clients.

## Reporting Injuries & Illnesses

### **Purpose**

To establish and maintain a comfortable and safe working environment.

### **Practice**

We often take safety for granted in an office environment. Though we may not be exposed to the same degree of risk as a typical manufacturing firm or healthcare facility, we should still recognize that safety risks are present and take steps to reduce the risk for injury or illness. Safety is everyone's responsibility at Mechworks, Inc.

### **Procedures**

- All work-related injuries and illnesses should be reported immediately to your manager or the Human Resources department, even if you are not sure whether it is truly work-related. Even small, insignificant injuries, left untreated can result in more serious conditions.
- Your manager (or a designated alternate) will complete an Accident Report. When injuries are reported immediately, accidents can quickly be investigated and corrective action taken to prevent another injury.

If you see any potential hazards that need attention, notify the Human Resources department immediately.

## Safety Rules

Mechworks, Inc. wants to ensure that our employees remain safe and injury-free when accidents are preventable. We expect our employees to refrain from horseplay, careless behavior and negligent actions. It is Mechworks, Inc.'s policy to maintain a safe and secure working environment for all employees and clients.

While working, employees must observe safety precautions for their safety and the safety of others. All work areas must be kept clean and free from clutter and debris. Any hazards or potentially dangerous conditions must be corrected immediately or reported to a supervisor.

If you are involved in an accident, you must comply with the following procedure:

- Report the accident to a supervisor or Human Resources professional immediately
- Obtain the necessary medical treatment
- Fill out an accident report regardless of the severity of the injury
- If you must seek additional medical treatment, obtain consent to leave the premises from your supervisor before doing so

Employees who fail to comply with this procedure are subject to disciplinary consequences.

## Smoke-Free Environment

Our goal is to have a smoke-free environment. Smoking is not permitted at any time in Mechworks, Inc. work areas, including Company vehicles or customer or client areas.

If smoking is allowed outside of the building, smokers should be considerate of coworkers, customers, and members of the public. Help to maintain a clean entryway by depositing cigarettes in appropriate containers and staying far enough away from doors so that smoke does not blow into the building.

Employees who smoke must observe the same guidelines as non-smokers for the frequency and length of break periods.

## Standards of Conduct

The work rules and standards of conduct for Mechworks, Inc. are important, and the Company regards them seriously. All employees are urged to become familiar with these rules and standards. In addition, employees are expected to follow the rules and standards faithfully in doing their own jobs and conducting Mechworks, Inc.'s business. Please note that any employee who deviates from these rules and standards will be subject to corrective action, up to and including immediate termination of employment.

While not intended to list all the forms of behavior that are considered unacceptable in the workplace, the following are examples of rule infractions or misconduct that may result in disciplinary action, up to and including immediate termination of employment. These examples are in no way a limitation on or intended to change the Company's at-will policy.

- Theft or inappropriate removal or possession of property
- Falsification of timekeeping records
- Working under the influence of alcohol or illegal drugs
- Possession, manufacture, distribution, sale, transfer, dispensation or use of alcohol or illegal drugs in the workplace
- Fighting or threatening violence in the workplace
- Immoral actions or intimidating others
- Boisterous or disruptive activity in the workplace
- Negligence or improper conduct leading to damage of Company-owned or customer-owned property
- Insubordination or other disrespectful conduct
- Violation of safety or health rules
- Smoking in the workplace
- Sexual or other unlawful or unwelcome harassment and touching
- Excessive absenteeism or any absence without notice
- Unauthorized use of telephones, or other Company-owned equipment
- Using Company equipment for purposes other than business (e.g., playing games on computers or personal Internet usage or company tools for work not project related)
- Unauthorized disclosure of business "secrets" or confidential information
- Violation of personnel policies
- Unsatisfactory performance or conduct

These rules apply to any and all interactions with customers, fellow employees or anyone else associated with the workplace.

## Time Card Regulations

Mechworks, Inc. requires that each employee maintains a time card of his/her hours. This will keep a record of hours worked and ensure that paychecks are correct. All hourly employees are required to accurately record their hours worked each day.

Each employee must use his/her own time card only. If an employee punches in or out for another employee, each are subject to disciplinary action.

By signing his/her time card, each employee is approving the number of hours indicated. Time sheets should be signed by the immediate supervisor on Thursday afternoons or at the end of the work week. The supervisor should submit time sheets into the office at the earliest convenience. They can be faxed or given to superintendent or project managers visiting sites on Monday mornings.

## Workers' Compensation

Mechworks, Inc. will provide workers compensation, a type of accident and injury insurance, for those who suffer a job-related injury or illness. Both income and medical benefits will be provided as well as insurance premiums.

Employees returning to work must provide proof of rehabilitation or treatment from a licensed physician and verification that they are able to complete all job-related tasks. In the event that the employee cannot complete some of the tasks as ordered by the physician, Mechworks, Inc. will modify his/her job load. Once a physician has verified that the employee can resume all job-related tasks, he/she will no longer receive workers compensation benefits.

# **Employee Handbook:** **Appendix**

# MW MECHWORKS

MECHANICAL CONTRACTORS, INC.  
TIME OFF, VACATION, LEAVE REQUEST

Employee Name: \_\_\_\_\_ Date Submitted: \_\_\_\_\_

Position: \_\_\_\_\_ Dept: \_\_\_\_\_ Supervisor: \_\_\_\_\_

Dates of requested time-off, vacation or leave.

Beginning \_\_\_\_/\_\_\_\_/\_\_\_\_ Ending: \_\_\_\_/\_\_\_\_/\_\_\_\_

Total No. # of Days of this Request: \_\_\_\_\_ Total No. # of Days Used Prior to this Request: \_\_\_\_\_

Total No. # of Days Remaining: \_\_\_\_\_

Note: If you are requesting FMLA reduced schedule or intermittent leave, you should indicate the date you propose such arrangement to begin and end.

Type of time off, vacation, or leave

- Vacation/PTO
- Holiday
- Military
- Bereavement
- Jury Duty
- Other Court Appearance
- Juvenile order/parental school activities
- Personal

**NOTE:** Time off for the following reasons is conditionally designated and charged against eligible employee's FMLA allotment pending final determination of FMLA qualification.

- Own health condition that renders employee unable to perform job
- Care for employee's parent, spouse, or child with a health condition
- Birth of employee's child or to care for employee's newborn child
- Placement with employee of a child for adoption or foster care

**NOTE:** Approval of any requested leave may be subject to the submission of applicable certifications verifying reason for absence.

Employee signature: \_\_\_\_\_ Date: \_\_\_\_\_

Approved by: \_\_\_\_\_ Date: \_\_\_\_\_



**SUPERVISOR ACCIDENT REPORT**

**Injured Employee's Name:** \_\_\_\_\_

**Date of Incident:** \_\_\_\_\_

**Time of Incident:** \_\_\_\_\_

**Date/Time Reported:** \_\_\_\_\_

**Description of the incident:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Witness names:**

\_\_\_\_\_

**Cause of accident:**

\_\_\_\_\_  
\_\_\_\_\_

**Was a safety procedure violated?      YES or NO**

**Describe:**

\_\_\_\_\_  
\_\_\_\_\_

**Accident site inspection and comments:**

\_\_\_\_\_

**Recommendations/comments:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Supervisor signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_



**EMPLOYEE WARNING**

DATE: \_\_\_\_\_

EMPLOYEE NAME: \_\_\_\_\_

This is your written WARNING. You have been warned several times regarding the following:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Further behavior will result in immediate termination.

We value you as an employee therefore we are giving you this opportunity to rethink your work behavior and priorities. Your superintendent will review with you and we ask that you both sign.

Thank you,

Mechworks Mechanical Contractors, Inc.

Foreman Signature \_\_\_\_\_

Employee Signature \_\_\_\_\_

## Application & Request for Educational Reimbursement

Name:		Company/ Department:	
-------	--	-------------------------	--

Position Title:		Phone	
-----------------	--	-------	--

Street Address:			
City:	State:		Zip Code:

School:			
Program Sought:		Approximate Completion Date:	

Educational Goals:

---



---

Describe how training/program will benefit you in your current position as well as the Company (use the back of this form if necessary):

---



---

Course Name/Number:	Course Cost:	Book/Fee Cost:	Misc. Costs	Start Date:	End Date:	CE Credits

This application is submitted in accordance with and subject to the Company's Educational Assistance policy. I hereby certify that I am not receiving financial assistance for this course from any other source. I have read the conditions explained in the policy and agree to abide by them. I also agree to the payback provisions set forth in the Educational Assistance Guidelines, including authorization for the Company to deduct from my payroll any monies due the Company. The following items are attached:

Tuition Receipt     
  Book/Fee Receipts     
  Grade Report     
  Continuing Education Certificate of Completion

Applicant's Signature:		Date:	
------------------------	--	-------	--

**Upon completion of this Application, forward to your manager for approval.**  
**TO BE COMPLETED BY A MANAGER AUTHORIZED TO APPROVE APPLICATION/EXPENDITURES**

I support this educational reimbursement.

Manager's Signature:		Date Approved:	
----------------------	--	----------------	--

**Upon approval of this Application, forward to HR for review, tracking and processing.** Additionally, schedule a career discussion with your employee on the following topics:

- Educational Assistance policy (how it works, service commitment expectations, etc.)
- How the courses relate to the employee's current position
- Career goals and interests (short-term and long-term)
- Expectations concerning work/school conflicts

TO BE COMPLETED BY HUMAN RESOURCES			
APPLICATION APPROVED	APPLICATION NOT APPROVED		COMMENTS
		Reimbursement amount:	

**Your Application will be reviewed within 2 weeks of receiving it and a copy will be returned to you.** Upon successful completion of the course(s), submit the following to HR for reimbursement:

- Your copy of the approved *Application and Request for Educational Reimbursement*
- Copy of grade report or Continuing Education certificate of completion
- Tuition statement, book receipt