

# A&J STEEL

## EMPLOYEE HANDBOOK

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**RECEIPT OF EMPLOYEE HANDBOOK**

## **WELCOME TO A&J Steel Puerto Rico LLC!**

Starting a new job is exciting, but at times can be overwhelming. This Employee Handbook has been developed to help you become acquainted with our company and answer many of your initial questions.

As an employee of our company, the importance of your contribution cannot be overstated. Our goal is to provide the finest quality products and services to our customers and to do so more efficiently and economically than our competitors. By satisfying our customers' needs, they will continue to do business with us and will recommend us to others.

You are an important part of this process for your work directly influences our company's reputation.

We are glad you have joined us and we hope you will find your work to be both challenging and rewarding.

### **Important Definitions**

The term company, as used throughout this Employee Handbook refers exclusively to A & J Steel LLC.

## **SECTION 1: THE WAY WE WORK**

### **A WORD ABOUT THIS HANDBOOK**

This Employee Handbook contains information about the employment policies and practices of the company. We expect each employee to read this Employee Handbook carefully, as it is a valuable reference for understanding your job and the company. The policies outlined in this Employee Handbook should be regarded as management guidelines only, which in a developing business will require changes from time-to-time. The company retains the right to make decision involving employment as needed in order to conduct its work in a manner that is beneficial to the employees and the company. This Employee Handbook supersedes and replaces any and all prior Employee Handbooks and inconsistent verbal or written policy statements. The company reserves the right to revise, delete and add to the provisions of this Employee Handbook at any time without further notice. All such revisions, deletions or additions must be in writing and must be signed by the president of the company. No oral statements or representations can change the provisions of this Employee Handbook.

The provisions of this Employee Handbook are not intended to create contractual obligations with respect to any matters it covers. Nor is this Employee Handbook

intended to create a contract guaranteeing that you will be employed for any specific time period.

Nothing in this Employee Handbook is intended to unlawfully restrict an employee's right to engage in any of the rights guaranteed them by Section 7 of the National Labor Relations Act, including but not limited to, the right to engage in concerted protected activity for the purposes of their mutual aid and/or protection. Nothing in this Employee Handbook will be interpreted, applied or enforced to interfere with, restrain or coerce employees in the exercise of Section 7 rights.

**AS LIMITED BY LAW 80, OUR COMPANY IS AN AT-WILL EMPLOYER. THIS MEANS REGARDLESS OF ANY PROVISION IN THIS EMPLOYEE HANDBOOK, EITHER YOU OR THE COMPANY MAY TERMINATE THE EMPLOYMENT RELATIONSHIP AT ANY TIME, FOR ANY REASON, WITH OR WITHOUT CAUSE OR NOTICE. NOTHING IN THIS EMPLOYEE HANDBOOK OR IN ANY DOCUMENT OR STATEMENT, WRITTEN OR ORAL, SHALL LIMIT THE RIGHT TO TERMINATE EMPLOYMENT-AT-WILL. NO OFFICER, EMPLOYEE OR REPRESENTATIVE OF THE COMPANY IS AUTHORIZED TO ENTER AN AGREEMENT EXPRESS OR IMPLIED – WITH ANY EMPLOYEE FOR EMPLOYMENT FOR A SPECIFIED PERIOD OF TIME UNLESS SUCH AN AGREEMENT IS IN A WRITTEN CONTRACT SIGNED BY THE PRESIDENT OF THE COMPANY.**

This Employee Handbook refers to current benefit plans maintained by the company. Refer to the actual plan documents and summary plan descriptions, if you have specific questions regarding the benefit plans. Those documents are controlling.

The employment policies and/or benefit summaries found in this Employee Handbook are written for all employees.

## **EQUAL EMPLOYMENT OPPORTUNITY**

We are committed to equal employment opportunity. We will not discriminate against employees or applicants for employment on any legally-recognized basis including, but not limited to: veteran status, uniformed services member status, race, color, religion, sex, national origin, age, physical or mental disability, genetic information, marriage, social origin, political affiliation or beliefs, social condition, domestic violence and/or any other protected class under federal, state or local statute.

You may discuss equal employment opportunity related questions with your supervisor or any other member of management.

## **AMERICAN WITH DISABILITIES ACT**

We are committed to providing equal employment opportunities to qualified individuals with disabilities. This may include providing reasonable accommodation where

appropriate for an otherwise qualified individual to perform the essential functions of the job. It is your responsibility to notify your supervisor of the need for an accommodation. Upon doing so, your supervisor may ask you for your input or the type of accommodation you believe may be necessary or the functional limitation caused by your disability. Also, when appropriate, we may need your permission to obtain additional information from your physician, or other medical or rehabilitation professionals. The company will not seek genetic information in connection with requests for accommodation. All medical information received by the company in connection with a request for accommodation will be treated as confidential.

## **A WORD ABOUT OUR EMPLOYEE RELATIONS PHILOSOPHY**

We are committed to providing the best possible climate for maximum development and goal achievement for all employees. Our practice is to treat each employee as an individual. We seek to develop a spirit of teamwork; individuals working together to attain a common goal.

In order to maintain an atmosphere where these goals can be accomplished, we provide a comfortable and progressive workplace. Most importantly, we have a workplace where communication is open and problems can be discussed and resolved in a mutually respectful atmosphere. We take into account individual circumstances and the individual employee.

We firmly believe that with direct communication, we can continue to resolve any difficulties that may arise and develop a mutually beneficial relationship.

## **NON-HARASSMENT**

We prohibit harassment of one employee by another employee, supervisor or third party for any reason including, but not limited to: veteran status, uniform service member status, race, color, religion, national origin, sex, age, physical or mental disability, genetic information, marriage, social origin, political affiliation or beliefs, social condition, domestic violence and/or any other protected class under federal, state or local statute. Harassment of third parties by our employees is also prohibited.

The purpose of this policy is not to regulate the personal morality of employees. It is to ensure that in the workplace, no employee harasses another for any reason or in any manner. The conduct prohibited by this policy includes conduct in any form including but not limited to e-mail, voice mail, chat rooms, Internet use, or history, text messages, pictures, images, writings, words or gestures.

While it is not easy to define precisely what harassment is, it includes: slurs, epithets, threats, derogatory comments, visual depictions, unwelcome jokes and teasing.

Any employee, who feels that he or she is a victim of such harassment, should immediately report the matter to the Owner/President.

The company will investigate all such reports as confidentially as possible. Adverse action will not be taken against an employee because he or she, in good faith, reports or participates in the investigation of a violation of this policy. Violations of this policy are not permitted and may result in disciplinary action, up to and including discharge.

## **SEXUAL HARASSMENT**

We firmly prohibit sexual harassment of any employee by another employee, supervisor or a third party. Harassment of third parties by our employees is also prohibited. The purpose of this policy is not to regulate the morality of employees. It is to ensure that in the workplace, no employee is subject to sexual harassment. While it is not easy to define precisely what sexual harassment is, it may include: unwelcome sexual advances, requests for sexual favors and/or verbal or physical conduct of a sexual nature including, but not limited to, sexually-related drawings, pictures, jokes, teasing, e-mails, text messages, uninvited touching, or other sexually-related comments. The conduct prohibited by this policy includes conduct in any form including but not limited to e-mail, voice mail, chat rooms, Internet use, or history, text messages, pictures, images, writings, words or gestures.

Sexual harassment of an employee will not be tolerated. Violations of this policy may result in disciplinary action, up to and including discharge. There will be no adverse action taken against employees who report violations of this policy in good faith or participate in the investigation of such violations.

Any employee who feels that he or she is a victim of sexual harassment should immediately report such actions in accordance with the following procedure. All complaints will be promptly and thoroughly investigated as confidentially as possible.

Any employee who believes that he or she is a victim of sexual harassment or has been retaliated against for complaining of sexual harassment, should report the situation immediately to the owner/president at: A & J Steel LLC. 295 Palmas Way, Palmanova Plaza 09, Humacao, PR 00791.

1. If an employee makes a report to the owner/president and he or she either does not respond or does not respond in a manner the employee deems satisfactory or consistent with this policy, the employee is required to report the situation to another member of management.
2. The company will investigate every reported incident immediately. Any employee, supervisor, or agent of the company who has been found to have violated this policy may be subject to appropriate disciplinary action, up to and including immediate discharge.

3. The company will conduct all investigations in a discreet manner. The company recognizes that every investigation requires a determination based on all the facts in the matter. We also recognize the serious impact a false accusation can have. We trust that all employees will continue to act responsibly.
4. The reporting employee and any employee participating in any investigation under this policy have the company's assurance that no reprisals will be taken as a result of a sexual harassment complaint. It is our policy to encourage discussion of the matter, to help protect others from being subjected to similar inappropriate behavior.

## CATEGORIES OF EMPLOYMENT

**PROBATIONARY PERIOD** – Employees are on an introductory period during their first 90 calendar days of employment with the company.

During this time, you will be able to determine if your new job is suitable for you and your supervisor will have an opportunity to evaluate your work performance. However, the completion of the introductory period does not guarantee employment for any period of time since you are an at-will employee both during and after your introductory period.

Employees are categorized as “exempt” or “non-exempt.”

**NON-EXEMPT EMPLOYEES** are entitled to overtime pay as required by applicable federal and state law.

**EXEMPT EMPLOYEES** are not entitled to overtime pay and may also be exempt from minimum wage requirements pursuant to applicable federal and state laws.

Upon hire, your supervisor will notify you of your employment classification.

## CERTIFICATION, LICENSING AND OTHER REQUIREMENTS

You will be informed by your supervisor if there are any licensing, certification or testing requirements for your job. Failure to qualify or to maintain a certification or license may be sufficient cause for discharge.

## IMMIGRATION REFORM AND CONTROL ACT

In compliance with the federal Immigration Reform and Control Act of 1986 (IRCA), as amended, and any state law requirements if applicable, we are committed to employing only individuals who are authorized to work in the United States.

**Commented [AB1]:** The probationary period may be extended for up to 9 months for nonexempt employees and 12 months for exempt employees.



Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility.

If an employee is authorized to work in this country for limited time period, the individual will be required to submit proof of renewed employment eligibility prior to expiration of that period to remain employed by the company.

## **NEW EMPLOYEE ORIENTATION**

Upon joining our company, you were given this copy of our Employee Handbook. After reading this Employee Handbook, please sign the receipt page and return it to your supervisor. You will be asked to complete personnel, payroll and benefit forms. If you lose your Employee Handbook or if it becomes damaged in any way, please notify your supervisor as soon as possible to obtain a replacement copy.

Your supervisor is responsible for the operations of your department. He or she is a good source of information about the company and your job.

## **SUGGESTIONS AND IDEAS**

We are always interested in your constructive ideas and suggestions for improving our operations. Your suggestions should be submitted to your supervisor.

After we investigate your suggestion, you will be notified whether it is feasible to be put into practice.

We believe that suggestions indicate initiative. With your approval, we will document the suggestion in your personnel file and consider it at the time of your performance review.

## **TALK TO US**

We encourage you to bring your questions, suggestions and complaints to our attention. We will carefully consider each of these in our continuing effort to improve operations.

If you feel you have a problem, present the situation to your supervisor or any other member of management so the problem can be settled by examination and discussion of the facts.

Your suggestions and comments on any subject are important and we encourage you to take every opportunity to discuss them with us. Your job will not be adversely affected in any way because you choose to use this procedure.

## **SECTION 2: YOUR PAY AND PROGRESS**

### **RECORDING YOUR TIME**

Your supervisor will review with you at the time of hire whether you are required to record your hours and if so, how to record them.

Accurately recording all your time is required to be sure that you are paid for all hours worked. You are expected to follow the established procedures in keeping an accurate record of your hours worked. Time must be recorded as follows:

- Immediately before starting your shift;
- Immediately after finishing work before your meal period;
- Immediately before resuming work after your meal period;
- Immediately after finishing work;
- Immediately before and after any other time away from work.

Exempt employees may be required to accurately record their time worked in accordance with federal and state wage and hour laws.

All employees subject to this policy are required to accurately record all time worked.

### **PAYDAY**

Please speak to your supervisor for information regarding payday and the pay period end day.

Please review your paycheck for accuracy. If you find an issue, report it to your supervisor immediately. Your supervisor will assist you in taking the steps necessary to correct the situation.

### **PAYCHECK DEDUCTIONS**

The company is required by law to make certain deductions from your paycheck each pay period. Such deductions typically include federal and state taxes and social security (FICA) taxes. Depending on the state in which you are employed and the benefits you choose, there may be additional deductions. All deductions and the amount of the deductions are listed on your pay stub. These deductions are totaled each year for your on your Form W-2 (499R2-W2), Wage and Tax Statement.

It is the policy of the company that salaried employees' pay will not be "docked" or subject to deductions, in violation the salary pay rules issued by the United States Department of Labor and any corresponding rules issued by the state government, as applicable. However, the company may make deductions from employees' salaries in a

way that is permitted under federal and state wage and hour rules. Employees will be reimbursed in full for any isolated, inadvertent or improper deductions, as defined by law.

Thus, exempt employees may be subject to the following salary deductions, except where prohibited by state law, but only for the following reasons:

- Absences of one or more full days for personal reasons, other than sickness or disability; or
- Absences of one or more full days due to sickness or disability, if there is a plan, policy or practice providing replacement compensation for such absences; or
- Absences of one or more full days before eligibility under such a plan, policy or practice or after replacement compensation for such absences has been exhausted; or
- Suspension of one or more full days for violations of safety rules of major significance; or
- Suspensions of one or more full days for violations of written workplace conduct rules, such as rules against sexual harassment and workplace violence; or
- Payment of actual time worked in the first and last weeks of employment, resulting in a proportional rate of an employee's full salary; or
- Any unpaid leave taken under the Family and Medical Leave Act; or
- Negative paid-time-off balances, in whole day increments only.

Any deductions from employees' wages are made in accordance with applicable state and federal laws.

If questions or concerns about any pay deductions arise, employees may discuss and resolve them with their supervisor or any other member of management.

## **GARNISHMENT / CHILD SUPPORT**

When an employee's wages are garnished by a court order, our company is legally bound to withhold the amount in indicated in the garnishment order from the employee's paycheck. Our company will, however, honor federal and applicable state guidelines that protect a certain amount of any employee's income from being subject to garnishment.

## **DIRECT DEPOSIT**

You have the option of receiving your pay in a payroll check or having your pay deposited into your bank account through our direct deposit program.

## **OVERTIME**

There will be times when you will need to work overtime so that we may meet the needs of our clients. Non-exempt employees must have all overtime approved in advance by their supervisor.

Non-exempt employees will be paid at a rate of time and one-half, their regular hourly rate for hours worked in excess of 40 hours in a work week, unless state law provides otherwise.

Only actual hours worked count toward the computing weekly overtime.

## **REPORTING TIME PAY**

The company will make every effort to notify employees in advance when it is not necessary to report to work. These circumstances may include inclement weather, fire, flood, power outage, lack of work, etc. In the event you report for work without being notified in advance that your services are not needed, you will be compensated in accordance with applicable state and federal wage and hour laws.

## **SECTION 3: TIME AWAY FROM WORK & OTHER BENEFITS**

### **JURY DUTY**

Employees called to serve for jury duty are able to do so for up to fifteen (15) days a year without loss of pay or benefits. Service beyond this period of time will not be compensated but the employee may charge the excess against accrued vacation.

Make arrangements with your supervisor as soon as you receive your summons.

We expect you to return to your job if you are excused from jury duty during your regular working hours.

We will comply with all applicable state requirements related to jury duty.

## **VOTING LEAVE**

Our company believes that every employee should have the opportunity to vote in a state or federal election, general primary or special primary. An employee may be granted time off with prior approval from his or her supervisor in accordance with state law. This excused time off, if necessary, is unpaid unless state law dictates otherwise. We reserve the right to select the hours you are excused to vote.

## **MILITARY LEAVE**

Employees who are required to fulfill military obligations in any branch of the Armed Forces of the United States or in state military service will be given the necessary time off and reinstated in accordance with federal and state law.

The time off will be unpaid, except where state law dictates otherwise. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

Accrued vacation may be used for this leave if the employee chooses.

Military orders should be presented to your supervisor and arrangements for leave made as early as possible before a departure. Employees are required to give advance notice of their service obligations to the company, unless military necessity makes this impossible. You must notify your supervisor of your intent to return to employment based on requirements of the law. Your benefits may continue to accrue during the period of leave accordance with state and federal law.

## **WITNESS LEAVE**

Employees are given the necessary time off to attend or participate in a court proceeding in accordance with state law. This time off is unpaid, unless state law dictates otherwise. We ask that you notify your supervisor of the need to take witness leave as far in advance as possible.

Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

## **COBRA**

If you are included in the company group health care plan, you and your covered dependents will have the opportunity to continue medical (and/or dental and vision\*) benefits for a period of up to 36 months under the provisions of the Federal Consolidated Omnibus Budget Reconciliation Act (COBRA) when group medical (and/or dental and vision\*) coverage for you and your covered dependents would otherwise end due to your death or because:

1. your employment terminates, for a reason other than gross misconduct; or
2. your employment status changes due to a reduction in hours; or
3. your child ceases to be a “dependent child” under the terms of the medical (and dental\*) plan; or
4. you become divorced or legally separated; or
5. you become entitled to Medicare.

In the event of divorce, legal separation or a child’s loss of dependent status, you or a family member must notify the plan administrator within 60 days of the occurrence of the event.

The plan administrator will notify the individuals eligible for continuation coverage of their right to elect COBRA continuation coverage.

For more information regarding COBRA, you may contact your supervisor.

\*COBRA applies to dental and vision care insurance only if you are enrolled in a group dental and/or vision care insurance plan on the day of the qualifying event.

## **FEDERAL FAMILY AND MEDICAL LEAVE ACT**

The Family and Medical Leave Act (“FMLA”) provides eligible employees the opportunity to take unpaid, job-protected leave for certain specified reasons. The maximum amount of leave an employee may use is either 12 or 26 weeks within a 12-month period depending on the reasons for the leave. Employees should contact their supervisor to determine whether they may be eligible for leave under this policy.

### **Employee Eligibility**

To be eligible for FMLA leave, you must:

1. have worked at least 12 months for the company in the preceding seven years (limited exceptions apply to the seven-year requirement);
  2. have worked at least 1,250 hours for the company over the preceding 12 months;
- and**
3. currently work at a location where there are at least 50 employees within 75 miles.

### **Conditions Triggering Leave**

FMLA leave may be taken for the following reasons:

1. birth of a child, or to care for a newly-born child (up to 12 weeks);
2. placement of a child with the employee for adoption or foster care (up to 12 weeks);
3. to care for an immediate family member (employee's spouse, child or parent) with a serious health condition (up to 12 weeks);
4. because of the employee's serious health condition that makes the employee unable to perform the employee's job (up to 12 weeks);
5. to care for a Covered Service member with a serious injury or illness related to certain types of military service (up to 26 weeks) (see Military-Related FMLA Leave for more details);

**or**

6. to handle certain qualifying exigencies arising out of the fact that the employee's spouse, son, daughter or parent is on duty under a call or order to active duty in the Uniformed Services (up to 12 weeks) (see Military-Related FMLA Leave for more details).

The maximum amount of leave that may be taken in a 12 month period for all reasons combined is 12 weeks, with one exception. For leave to care for a Covered Service Member, the maximum combined leave entitlement is 26 weeks, with leaves for all other reasons constituting no more than 12 of those 26 weeks.

#### **Definitions**

A "serious health condition" is an illness, injury, impairment or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or their daily activities. Subject to certain conditions, the continuing treatment requirement includes an incapacity of more than three full calendar days and two visits to a health care provider or one visit to a health care provider and a continuing regimen of care; an incapacity caused by pregnancy or prenatal visits, a chronic condition, or permanent or long-term conditions; or absences due to multiple treatments. Other situations may meet the definition of continuing treatment.

A "covered service member" is a member or veteran of the Armed Forces, including the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness.

The term “serious injury or illness” means an injury or illness incurred by the member in the line of duty while on active duty in the Armed Forces that may render the member medically unfit to perform the duties of the member’s office, grade, rank, rating or one that existed before the beginning of active duty and was aggravated by service in the line of duty while active duty. With regard to veterans, the injury or illness may manifest itself before or after the individual assumed veteran status.

“Qualifying exigencies” include activities such as short-notice deployment, military events, arranging alternative childcare, making financial and legal arrangement related to the deployment, rest and recuperation, counseling and post-deployment debriefings.

### **Identifying the 12-Month Period**

The company measures the 12-month period in which leave is taken based on the first day of the FMLA leave. FMLA leave ends 12 months after that date with one exception. FMLA leave for the birth or placement of a child for adoption or foster care must be concluded within 12 months of the birth or placement. For leave to care for a covered service member, the company calculates the 12-month period beginning on the first day the eligible employee takes FMLA leave to care for a covered service member and ends 12 months after that date. FMLA leave for the birth or placement of a child for adoption or foster care must be concluded within 12 months of the birth or placement.

### **Using Leave**

Eligible employees may take FMLA leave in a single block of time, intermittently (in separate blocks of time), or by reducing the normal work schedule when medically necessary for the serious health condition of the employee or immediate family member, or in the case of a covered service member, his or her injury or illness. Eligible employees may also take intermittent or reduced-scheduled leave for military qualifying exigencies. Intermittent leave is not permitted for the birth of a child, to care for a newly-born child or for placement of a child for adoption or foster care. Employees who require intermittent or reduced-schedule leave must try to schedule their leave so that it will not unduly disrupt the company’s operations.

### **Use of Accrued Paid Leave**

Depending on the purpose of your leave request, you may choose (or the company may require you) to use accrued paid leave (such as sick leave, vacation, personal days, family leave or PTO), concurrently with some or all of your FMLA leave. In order to substitute paid leave for FMLA leave, an eligible employee must comply with the company’s normal procedures for the applicable paid-leave policy (e.g., call-in procedures, advance notice, etc.).

### **Maintenance of Health Benefits**

If you and/or your family participate in our group health plan, the company will maintain coverage during your FMLA leave on the same terms as if you had continued to work. If applicable, you must make arrangements to pay your share of health plan premiums while on leave. In some instances, the company may recover premiums it paid to



maintain health coverage or other benefits for you and your family. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of your leave.

### **Notice and Medical Certification**

When seeking FMLA leave, you are required to provide:

1. sufficient information for us to determine if the requested leave may qualify for FMLA protection and the anticipated timing and duration of the leave; sufficient information may include you are unable to perform job functions, a family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave; you must also inform the company if the requested leave is for a reason for which FMLA leave was previously taken or certified;
2. if the need for leave is foreseeable, this information must be provided 30 days in advance of the anticipated beginning date of the leave; if the need for leave is not foreseeable, this information must be provided as soon as is practicable and in compliance with the company's normal call-in procedures, absent unusual circumstances;
3. medical certification supporting the need for leave due to a serious health condition affecting your or an immediate family member within 15 calendar days of the company's request to provide the certification (additional time may be permitted in some circumstances). If you fail to do so, we may delay the commencement of your leave, withdraw any designation of FMLA leave or deny the leave, in which case your leave of absence would be treated in accordance with our standard leave of absence and attendance policies, subjecting you to discipline up to and including discharge. Second or third medical opinions and periodic re-certifications may also be required;
4. periodic reports as deemed appropriate during the leave regarding your status and intent to return to work; **and**
5. medical certification of fitness for duty before returning to work, if the leave was due to your serious health condition; the company will require this certification to address whether you can perform the essential function of your position.

Failure to comply with the foregoing requirements may result in delay or denial of leave, or disciplinary action, up to and including discharge.

### **Employer Responsibilities**

To the extent required by law, the company will inform employees whether they are eligible under the FMLA. Should an employee be eligible for FMLA leave, the company will provide them with a notice that specifies any additional information required, as well as the employee's rights and responsibilities. If employees are not eligible, the company

will provide a reason for the ineligibility. The company will also inform employees if leave will be designated as FMLA-protected and, to the extent possible, note the amount of leave counted against the employee's leave entitlement. If the company determines that the leave is not FMLA-protected, the company will notify the employee.

#### **Job Restoration**

Upon returning from FMLA leave, eligible employees will typically be restored to their original job or to an equivalent job with equivalent pay, benefits and other employment terms and condition.

#### **Exemption for Key Employees**

Certain key employees may not be returned to their former or equivalent position following a leave if doing so would cause substantial economic injury to the company. Key employees are salaried and among the highest paid 10 percent of all employees at a worksite or within 75 miles of that worksite. The company will notify you if you qualify as a key employee, if the company intends to deny reinstatement and of your rights in such instances.

#### **Failure to Return After FMLA Leave**

Any employee who fails to return to work as scheduled after FMLA leave or exceeds the 12-week FMLA entitlement (or in the case of military caregiver leave, the 26-week FMLA entitlement), will be subject to the company's standard leave of absence and attendance policies. This may result in discharge if you have no other company-provided or legally mandated leave available to you that applies to your continued absence. Likewise, following the conclusion of your FMLA leave, the company's obligation to maintain your group health plan benefits ends (subject to any applicable COBRA rights).

#### **Other Employment**

The company generally prohibits employees from holding other employment. This policy remains in force during all leaves of absence including FMLA leave and may result in disciplinary action, up to and including discharge.

#### **Fraud**

Providing false or misleading information or omitting material information in connection with an FMLA leave will result in disciplinary action, up to and including discharge.

#### **Employers' Compliance with FMLA and Employee's Enforcement Rights**

FMLA makes it unlawful for any employer to interfere with, restrain or deny the exercise of any right provided under FMLA, or discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

While the company encourages employees to bring any concerns or complaints about compliance with FMLA to the attention of the Human Resources department or your

supervisor, FMLA regulations require employers to advise employees that they may file a complaint with the U.S. Department of Labor or bring a private lawsuit against the employer.

Further, FMLA does not affect any federal or state law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

#### **Limited Nature of This Policy**

This policy should not be construed to confer any express or implied contractual relationship or rights to any employee not expressly provided for by FMLA. The company reserves the right to modify this or any other policy as necessary, in its sole discretion to the extent permitted by law. State or local leave laws may also apply.

#### **Military-Related Federal FMLA Leave**

FMLA leave may also be available to eligible employees in connection with certain service-related medical and non-medical needs of family members. There are two forms of such leave. This first is Military Caregiver Leave and the second is Qualifying Exigency Leave. Each of these leaves is detailed below.

#### **Military Caregiver Leave**

Unpaid Military Caregiver Leave is designed to allow eligible employees to care for certain family members who have sustained serious injuries or illnesses in the line of duty while on active duty. The family member must be a "covered service member," which means:

a current member or veteran of the Armed Forces, National Guard or Reserves;

who is undergoing medical treatment, recuperation, or therapy; or, in the case of a veteran, who was a current member of the Armed Forces, National Guard or Reserves within five years prior to the treatment for which an eligible employee requests leave; is otherwise in outpatient status; or is otherwise on the temporary disability retired list;

for a serious injury or illness that may render a current member medically unfit to perform the duties of the member's office, grade, rank, or rating. Military Caregiver Leave is not available to care for service members on the *permanent* disability retired list.

To be "eligible" for Military Caregiver Leave, the employee must be a spouse, son, daughter, parent or next of kin of the covered service member. "Next of kin" means the nearest blood relative of the service member, other than the service member's spouse, parent, son or daughter, in the following order of priority:

blood relatives who have been granted legal custody of the service member by court decree or statutory provisions;

brother and sisters

grandparents;

aunts and uncle;

and first cousins;

unless the service member has specifically designated in writing another blood relative as his or her nearest blood relative for purposes of Military Caregiver Leave. The employee must also meet all other eligibility standards as set forth within the FMLA Leave policy.

An eligible employee may take up to 26 work weeks of Military Caregiver Leave to care for a covered service member in a "single 12-month period." The "single 12-month period" begins on the first day leave is taken to care for a covered service member and ends 12 months thereafter, regardless of the method used to determine leave availability for other FMLA-qualifying reasons. If an employee does not exhaust his or her 26 work weeks of Military Caregiver Leave during this "single 12-month period," the remainder is forfeited.

Military Caregiver Leave applies on a per-injury basis for each service member. Consequently, an eligible employee may take separate periods of caregiver leave for each and every covered service member, and/or for each and every serious injury or illness of the same covered service member. A total of no more than 26 work weeks of Military Caregiver Leave, however, may be taken within any "single 12-month period."

Within the "single 12-month period" described above, an eligible employee may take a combined total of 26 weeks of FMLA leave including up to 12 weeks of leave for any other FMLA-qualifying reason (i.e., birth or adoption of a child, serious health condition of the employee or close family member, or a qualifying exigency). For example, during the "single 12-month period," an eligible employee may take up to 16 weeks of FMLA leave to care for a covered service member when combined with up to 10 weeks of FMLA leave to care for a newborn child.

An employee seeking Military Caregiver Leave may be required to provide appropriate certification from the employee and/or covered service member and completed by an authorized health care provider within 15 days. Military Caregiver Leave is subject to the other provisions in our FMLA Leave policy (requirements regarding employee eligibility, appropriate notice of the need for leave, use of accrued paid leave, etc.) Military Caregiver Leave will be governed by, and handled in accordance with, the FMLA and applicable regulations, and nothing within this policy should be construed to be inconsistent with those regulations.

### **Qualifying Exigency Leave**

Eligible employees may take unpaid “Qualifying Exigency Leave” to tend to certain “exigencies” arising out of the duty under a call or order to active duty of a “covered military member” (i.e., the employee’s spouse, son, daughter or parent). Up to 12 weeks of Qualifying Exigency Leave is available in any 12-month period, as measured by the same method that governs measurement of other forms of FMLA leave within the FMLA policy (with the exception of Military Caregiver Leave, which is subject to a maximum of 26 weeks of leave in a “single 12-month period”). Although Qualifying Exigency Leave may be combined with leave for other FMLA-qualifying reasons, under no circumstances may the combined total exceed 12 weeks in any 12-month period (with the exception of Military Caregiver Leave as set forth above). The employee must meet all other eligibility standards as set forth within the FMLA policy.

Persons who can be ordered to active duty include active and retired members of the regular Armed Forces, certain members of the retired Reserve and various other Reserve members including the Ready Reserve, the Selected Reserve, the Individual Ready Reserve, the National Guard, state military, Army Reserve, Navy Reserve, Marine Corps Reserve, Air National Guard, Air Force Reserve and Coast Guard Reserve.

A call to active duty refers to a *federal* call to active duty, and *state* calls to active duty are not covered unless under order of the President of the United States pursuant to certain laws.

Qualifying Exigency Leave is available under the following circumstances:

1. **Short-notice deployment.** To address any issue that arises out of short notice (within seven days or less) of an impending call or order to active duty.
2. **Military events and related activities.** To attend any official military ceremony, program, or event related to active duty or a call to active duty status or to attend certain family support or assistance programs and informational briefings.
3. **Childcare and school activities.** To arrange for alternative childcare; to provide childcare on an urgent immediate need basis; to enroll in or transfer to a new school or daycare facility; or to attend meetings with staff at a school or daycare facility.
4. **Financial and legal arrangements.** To make or update various financial or legal arrangements; or to act as the covered military member’s representative before a federal, state or local agency in connection with service benefits.
5. **Counseling.** To attend counseling (by someone other than a health care provider) for the employee, the covered military member or for a child or dependent when necessary as a result of duty under a call or order to active duty.

6. **Temporary rest and recuperation.** To spend time with a covered military member who is on short-term, temporary rest and recuperation leave during the period of deployment. Eligible employees may take up to five days of leave for each instance of rest and recuperation.
7. **Post-deployment activities.** To attend arrival ceremonies, reintegration briefings and events and any other official ceremony or programs sponsored by the military for a period of up to 90 days following the termination of the covered military member's active duty status. This also encompasses leave to address issues that arise from the death of a covered military member while on active duty status.
8. **Mutually agreed leave.** Other events that arise from the close family members' duty under a call or order to active duty, provided that the company and the employee agree that such leave shall qualify as an exigency and agree to both the timing and duration of such leave.

An employee seeking Qualified Exigency Leave may be required to submit appropriate supporting documentation in the form of a copy of the covered military member's active duty orders or other military documentation indicating the appropriate status and the dates of active duty status, along with a statement setting forth the nature and details of the specific exigency, the amount of leave needed and the employee's relationship to the military member within 15 days. Qualifying Exigency leave will be governed by, and handled in accordance with, the FMLA and applicable regulations and nothing within this policy should be construed to be inconsistent with those regulations.

## **SOCIAL SECURITY**

During your employment, you and the company both contribute funds to the federal government to support the Social Security Program. This program is intended to provide you with retirement benefit payments and medical coverage once you reach retirement age.

## **UNEMPLOYMENT INSURANCE**

Upon separation of employment, you may be entitled to unemployment insurance benefits. Information about unemployment insurance can be obtained from your local state agency.

## **WORKERS' COMPENSATION**

On-the-job injuries are covered by a Workers' Compensation insurance policy. This insurance is provided at no cost to you. If you are injured on the job no matter how slightly, report the incident immediately to your supervisor. Consistent with applicable state law, failure to report an injury within a reasonable period of time could jeopardize

your claim. We ask for your assistance in alerting management to any condition that could lead or contribute to an employee accident.

## **SECTION 4: ON THE JOB**

### **ATTENDANCE AND PUNCTUALITY**

Attendance and punctuality are important factors for your success within our company. We work as a team and this requires that each person be in the right place at the right time.

If you are going to be late for work or absent, notify your supervisor before the start of your workday.

Personal issues requiring time away from your work, such as doctor's appointments or other matters, should be scheduled during your nonworking hours, if possible.

If you are absent for three days without notifying the company, it is assumed that you have voluntarily abandoned your position with the company and you will be removed from the payroll.

### **LACTATION BREAK**

The company will provide a reasonable amount of break time to accommodate a female employee's need to express breast milk for the employee's infant child up to one year of age. For full-time employees the break time may be divided in two half-hour breaks or three (3) twenty (20) minutes breaks. Part-time employees are entitled to one half-hour break for every four (4) hours of consecutive work. The company will also make a reasonable effort to provide the employee with the use of a room or other location in close proximity to the employee's work area, for the employee to express milk in private.

Employees should notify their supervisor to request time to express breast milk under this policy.

No provision of this policy applies or is enforced if it conflicts with or is superseded by any requirement or prohibition contained in a state or local law, or regulation. Anyone with knowledge of such a conflict or potential conflict should contact their supervisor.

### **STANDARDS OF CONDUCT**

Each employee has an obligation to observe and follow the company's policies and to maintain proper standards of conduct at all times. If an individual's behavior interferes with the orderly and efficient operation of a department, corrective disciplinary measures will be taken.

Disciplinary action may include a verbal warning, written warning, suspension with or without pay and/or discharge. The appropriate disciplinary action imposed will be determined by the company. The company does not guarantee that one form of action will necessarily precede another.

The following may result in disciplinary action, up to and including discharge:

1. violation of the company's policies or safety rules;
2. insubordination;
3. unauthorized or illegal possession, use or sale of alcohol or controlled substances on work premises or during working hours, while engaged in company activities or in company vehicles;
4. unauthorized possession, use or sale of weapons, firearms or explosives on work premises;
5. theft or dishonesty;
6. physical harassment;
7. sexual harassment;
8. disrespect toward fellow employees, visitors or other members of the public;
9. performing outside work or use of company property, equipment or facilities in connection with outside work while on company time;
10. poor attendance or poor performance.

These examples are not all inclusive. We emphasize that discharge decisions will be based on a n assessment of all relevant factors.

**Nothing in this policy is designed to modify our employment-at-will policy as limited by Law 80.**

## **CLIENT AND PUBLIC RELATIONS**

Our company's reputation is built on excellent service and quality work. To maintain this reputation requires the active participation of every employee.

The opinions and attitudes that clients have toward our company may be determined for a long period of time by the actions of one employee. It is sometimes easy to take a client for granted, but when we do, we run the risk of losing not only that client, but his or her associates, friends or family who may also be clients or prospective clients.

Each employee must be sensitive to the importance of providing courteous treatment in all working relationships.

## **SOLICITATION AND DISTRIBUTION**

In the interest of maintaining productivity and a proper business environment, employees may not distribute literature or other materials of any kind or solicit for any cause during the working time of any employee involved.



Employees may not distribute literature or other materials of any kind in working areas, at any time, whether or not the employees are on working time. Likewise, employees may not solicit for any cause during the working time of any employee involved.

Non-employees are prohibited from soliciting or distributing materials on company premises at any time.

Non-working time includes, but is not limited to, a lunch or break and a non-working area is the break room.

## **CHANGES IN PERSONAL DATA**

To aid you and/or your family in matters of personal emergency, we need to maintain up to date information.

Changes in name, address, telephone number, marital status, number of dependents, or changes in next of kin and/or beneficiaries should be given to your supervisor promptly.

## **CARE OF EQUIPMENT**

You are expected to demonstrate proper care when using the company's property and equipment. No property may be removed from the premises without the proper authorization of management. If you lose, break or damage any property, report it to your supervisor at once.

## **PERSONAL PROPERTY**

The company is not responsible for loss or damage to personal property. Valuable personal items, such as purses and other valuables, should not be left in areas where theft might occur.

## **DRESS POLICY**

Employees are expected to maintain the highest standards of personal cleanliness and present a neat, professional appearance at all times.

Our clients' satisfaction represents the most important and challenging aspect of our business. Whether or not your job responsibilities place you in direct client contact, you represent the company with your appearance, as well as your actions. The properly attired individual helps to create a favorable image for the company to the public and fellow employees.

## **PROTECTING COMPANY INFORMATION**

Protecting our company's information is the responsibility of every employee and we all share a common interest in making sure information is not improperly or accidentally disclosed. Do not discuss the company's confidential or proprietary business matters, or share confidential personal employee information with anyone who does not work for us, such as friends, family members, members of the media or other business entities.

The company's address shall not be used for the receipt of personal mail.

## **CONFLICT OF INTEREST/CODE OF ETHICS**

A company's reputation for integrity is its most valuable asset and is directly related to the conduct of its officers and other employees. Therefore, employees must never use their positions with the company, or any of its clients for private gain, to advance personal interests, or to obtain favors or benefits for themselves, members of their families or any other individuals, corporations or business entities.

The company adheres to the highest legal and ethical standards applicable in our business. The company's business is conducted in strict observance of both the letter and spirit of all applicable laws and the integrity of each employee is of utmost importance.

Employees of the company shall conduct their personal affairs in such a fashion that their duties and responsibilities to the company are not jeopardized and/or legal questions do not arise with respect to their association or work with the company.

## **IF YOU MUST LEAVE US**

Should you decide to leave your employment with us, we ask that you provide your supervisor with at least two weeks' advance notice. Your thoughtfulness is appreciated and will be noted favorably should you ever wish to reapply for employment with the company.

Additionally, all resigning employees must complete a brief exit interview prior to leaving. All company property, including this Employee Handbook, must be returned upon discharge. Otherwise, the company may take further action to recoup any replacement costs and/or seek the return of company property through appropriate legal recourse.

You should notify the company if your address changes during the calendar in which discharge occurs so that your tax information will be sent to the proper address.

## **SAFETY IN THE WORKPLACE**

Safety can only be achieved through teamwork at our company. Each employee, supervisor and manager must practice safety awareness by thinking defensively, anticipation unsafe situations and reporting unsafe conditions immediately.

Please observe the following precautions:

1. Notify your supervisor of any emergency situation. If you are injured or become sick at work, no matter how slightly, you must inform your supervisor immediately.
2. The unauthorized use of alcoholic beverages or illegal substance during working hours will not be tolerated. The possession of alcoholic beverages or illegal substance on the company's property is forbidden.
3. Use, adjust and repair machines/equipment only if you are trained and qualified.
4. Know the proper lifting procedures. Get help when lifting or pushing heavy objects.
5. Understand your job fully and follow instructions. If you are not sure of the safe procedure, don't guess, just ask your supervisor
6. Know the locations, contents and use of first aid and firefighting equipment.
7. Wear personal protective equipment in accordance with the job you are performing.
8. Comply with OSHA standards as written in our safety procedures manual.

A violation of a safety precaution is in itself an unsafe act. A violation may lead to disciplinary action, up to and including discharge.

## **WORKPLACE VIOLENCE**

Violence by an employee or anyone else against an employee, supervisor or member of management will not be tolerated. The purpose of this policy is to minimize the potential risk of personal injuries to employees at work and to reduce the possibility of damage to company property in the event someone, for whatever reason may be unhappy with a company decision, or action by an employee or member of management.

If you receive or overhear any threatening communications from an employee or outside third party, report it to your supervisor at once. Do not engage in either physical or verbal confrontation with a potentially violent individual. If you encounter an individual who is threatening immediate harm to an employee or visitor to our premises, contact an emergency agency (such as 911) immediately.

All reports of work-related threats will be kept confidential to the extent possible, investigated and documented. Employees are expected to report and participate in an investigation of any suspected or actual cases of workplace violence and will not be subjected to disciplinary consequences for such reports or cooperation.

Violations of this policy, including your failure to report or fully cooperate in the company's investigation, may result in disciplinary actions, up to and including immediate discharge.

## **HAZARD COMMUNICATION**

The company may use some chemicals (for example, cleaning compounds, inks, etc.) in some of its operations. You should receive training and be familiar with the handling, use, storage and control measures relating to these substances if you will use or likely be exposed to them. You must follow all labeling requirements. Speak to your supervisor regarding the location of Safety Data Sheets (SDS) in your work area.

If you have any questions, ask your supervisor.

## **GOOD HOUSEKEEPING**

Good work habits and a neat place to work are essential for job safety and efficiency. You are expected to keep your place of work organized and materials in good order at all times. Report anything that needs repair or replacement to your supervisor.

## **SMOKING IN THE WORKPLACE**

Our company is committed to providing a safe and healthy environment for employees and visitors. To accomplish this goal, smoking and the use of other tobacco products may be prohibited or allowed only in designated areas consistent with applicable state and local laws.

## **NO WEAPONS IN THE WORKPLACE**

Possession, use or sale of weapons, firearms or explosives on work premises, while operating company machinery, equipment, or vehicles for work-related purposes or while engaged in company business off premises is forbidden except when expressly authorized by the company or permitted by state and local laws. This policy applies to all employees, including but not limited to those who have a valid permit to carry a firearm.

Employees who are aware of violations or threats of violations of this policy are required to report such violations or threats of violations to their supervisor immediately.

Violations of this policy will result in disciplinary action, up to and including discharge.

## **SUBSTANCE ABUSE**

The company has vital interests in ensuring a safe, healthy and efficient working environment for our employees, their co-workers and the customers we serve. The

unlawful or improper presence or use of controlled substance or alcohol in the workplace presents a danger to everyone. For these reasons, we have established as a condition of employment and continued employment with the company the following substance abuse policy.

Employees are prohibited from reporting to work or working while using illegal or unauthorized substances. Employees are prohibited from reporting to work or working when the employee uses any controlled substance, except when the use is pursuant to a doctor's orders and the doctor advised the employee that the substance does not adversely affect the employee's ability to safely perform his or her job duties

In addition, employees are prohibited from engaging in the unlawful or unauthorized manufacture, distribution, sale or possession of illegal substances and alcohol in the workplace including:

1. on company paid time;
2. on company premises;
3. in company vehicles;
4. or while engaged in company activities.

Your employment or continued employment with the company is conditioned upon your full compliance with the foregoing substance abused policy. Any violation of this policy may result in disciplinary action, up to and including discharge.

Consistent with its fair employment policy, the company maintains a policy of non-discrimination and reasonable accommodation with respect to recovering addicts and alcoholics and those having a medical history reflecting treatment for substance abuse conditions. We encourage employees to seek assistance before their substance or alcohol use render them unable to perform their essential job functions or jeopardizes the health and safety of themselves or others. The company will attempt to assist its employees through referrals to rehabilitation, appropriate leaves of absence and other measures consistent with the company's policies and applicable federal, state or local laws.

The company further reserves the right to take any and all appropriate and lawful actions necessary to enforce this substance abuse policy including, but not limited to, the inspection of company issued lockers, desks or other suspected areas of concealment, as well as an employee's personal property when the company has reasonable suspicion to believe that the employee has violated this substance abuse policy.

This policy represents management guidelines only and should not interpreted as a contract of employment.

**Our company complies with the provisions of the Drug Free Workplace Act and Puerto Rico Law 59.**