



PATCO Electrical Services, Inc.

It's The Quality That Counts!

EMPLOYEE POLICY MANUAL

PATCO Electrical Services, Inc.
1509 SE 25th St
Oklahoma City, OK 73129

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ARTICLE I INTRODUCTION/RESPONSIBILITIES

1.1 Introductory Statement

This employee handbook will give you important information about working at PATCO Electrical Services, Inc. (PATCO). The policies in this handbook explain many of the benefits of working here. The handbook also explains what we expect of you and tells about many of our rules.

However, this employee handbook cannot cover every situation or answer every question about policies and benefits at PATCO. Also, sometimes, we may need to change the handbook. PATCO has the right to add new policies, change policies or cancel policies at any time. The only policy we will never change is our employment-at-will policy. The employment-at-will policy allows you or PATCO to terminate your employment at any time for any reason.

1.2 Mission Statement

PATCO Electrical Services, Inc. is to provide safe, professional, quality services with integrity and efficiency.

It is with a spirit of servitude that we will achieve the highest level of customer satisfaction, this responsibility for success rests equally on each and every employee and the expectation of cooperation between all employees is essential to the efficient and profitable operation of PATCO. You as an employee are entering into a service-oriented (drug and alcohol free) environment.

1.3 Company Responsibility

PATCO will be responsible for providing rules, wages, hours, working conditions and other conditions of employment through enforced, verbal and published policies and procedures.

1.4 Employee Responsibility

Employees shall provide quality and timely work for a wage or salary and shall adhere to all policies and procedures as originating from PATCO.

We expect you to follow certain work rules and conduct yourself in ways that protect the interests and safety of all employees of PATCO.

Employees shall adhere to the following items. It is impossible to list all potential conduct infractions, below are a few examples:

- Excessive absenteeism or any absence without notice
- Unauthorized absence from work station during the workday
- Smoking in prohibited areas
- Unsatisfactory performance or conduct
- Violation of personnel policies

Since your employment with PATCO is voluntary and at will, you may terminate your employment at any time you want, with or without cause or advance notice. Likewise, PATCO may terminate your employment at any time, with or without cause or advance notice.

1.5 Equal Employment Opportunity

To give equal employment and advancement opportunities to all people, we make employment decisions at PATCO based on each person's performance, qualifications and abilities. PATCO does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law.

We will make reasonable accommodations for qualified individuals with known disabilities unless making the reasonable accommodation would result in an undue hardship to PATCO. Our Equal Employment Opportunity policy covers all employment practices, including selection, job assignment, compensation, discipline, termination and access to benefits and training.

If you have a question about any type of discrimination at work, talk with your immediate supervisor or the Human Resources Department. You will not be punished for asking questions about this. Also, if we find out that anyone was illegally discriminating, that person will be subject to disciplinary action, up to and including termination of employment.

1.6 Business Ethics and Conduct

We expect PATCO employees to be ethical in their conduct. It affects our reputation and success. PATCO requires employees to carefully follow all laws and regulations, and have the highest standards of conduct and personal integrity.

Our continued success depends on our customers' trust. Employees owe a duty to PATCO, our customers, and shareholders to act in ways that will earn the continued trust and confidence of the public.

As an organization, PATCO will comply with all applicable laws and regulations. We expect all directors, officers and employees to conduct business in accordance with the letter, spirit and intent of all relevant laws and to not do anything that is illegal, dishonest or unethical.

If you use good judgment and follow high ethical principles, you will make the right decisions. However, if you are not sure if an action is ethical or proper, you should discuss the matter openly with your supervisor. If necessary, you may also contact the Human Resources Department for advice and consultation.

It is the responsibility of every PATCO employee to comply with our policy of business ethics and conduct. Employees who ignore or do not comply with this standard of business ethics and conduct may be subject to disciplinary action, up to and including possible termination of employment.

1.7 Immigration Law Compliance

PATCO is committed to employing only people who are United States citizens or who are aliens legally authorized to work in the United States. We do not illegally discriminate because of a person's citizenship or national origin.

Because we comply with the Immigration Reform and Control Act of 1986, every new employee at PATCO is required to complete the Employment Eligibility Verification Form I-9 and show documents that prove identity and employment eligibility.

If you leave PATCO and are rehired, you must complete another Form I-9 if the previous I-9 with PATCO is more than three years old, or if the original I-9 is not accurate anymore, or if we no longer have the original I-9.

If you have any questions or want information on the immigration laws, contact the Human Resources Department. If you ask questions or want to complain about the immigration law, you will not be punished in any way.

1.8 Conflicts of Interest

PATCO has guidelines to avoid real or potential conflicts of interest. It is your duty as an employee of PATCO to follow the following guidelines about conflicts of interest. If this is not clear to you or if you have any questions about conflicts of interest, contact the President of PATCO or the Human Resources Department.

What is a conflict of interest? An actual or potential conflict of interest is when you are in a position to influence a decision or have business dealings on behalf of PATCO that might result in a personal gain for you or one of your relatives. For conflicts of interest, a relative is any person who is related to you by blood or marriage, or whose relationship with you is similar to being a relative even though they are not related by blood or marriage.

We do not automatically assume that there is a conflict of interest if you have a relationship with another company. However, if you have any influence on transactions involving purchases, contracts, or leases, you must tell the President of PATCO as soon as possible. By telling us that there is the possibility of an actual or potential conflict of interest, we can set up safeguards to protect everyone involved.

The possibility for personal gain is not limited to situations where you or your relative has a significant ownership in a firm with which PATCO does business. Personal gains can also result from situations where you or your relative receives a kickback, bribe, substantial gift or special consideration as a result of a transaction or business dealing involving PATCO.

ARTICLE II DEFINITIONS

The following definitions apply to this entire Employee Policy Manual. Other defined words are specific to subjects in other PATCO Manuals or Plans.

ABL: Annual Benefit Listing (Insurance Plans, 401k, Holiday and Vacation) PPE: Personal Protective Equipment

PATCO: PATCO Electrical Services, Inc.

EPM: Employee Policy Manual

SHPM: Safety-Health Policy Manual

SHALL: Mandatory, must be done

SHOULD: Advisory, desirable

STANDARD OPERATION PROCEDURE (SOP): A set of instructions so detailed that the desired operation can be performed repeatedly with a consistent result. By having a standard format for these instructions, policies and procedures that are common to certain PATCO operations can be quickly referenced. The standard format also allows customization for local areas while retaining a structure that is familiar to PATCO employees.

ARTICLE III EMPLOYMENT/EVALUATIONS/PAYROLL

3.1 Employment

PATCO shall employ individuals to fill positions deemed necessary. Each position shall have a position and responsibilities description to specify the responsibility, skill and duties required by an individual to gain and continue employment.

3.2 Personnel Data Changes

It is important that PATCO have certain personal information about you in our records. You need to tell us as soon as there is a change to your mailing address, telephone numbers, marital status, dependents' information, educational accomplishments and other possible related information. We also need to have information about who to contact in case of an emergency. To change your personal information or if you have questions about what information is required to be changed, contact the Human Resources Department.

3.3 Hourly

Employee is a person employed to perform company duties for an hourly wage and is not exempt from Federal Wage and Hour Regulations, and others who are exempt but PATCO chooses to pay at an hourly rate.

3.4 Salary

Employee is a person employed to perform company duties for a salary and is exempt from Federal Wage and Hour Regulations.

3.5 Temporary

Employee is a person who is hired for a specified time (less than 3 months) and is not eligible for PATCO benefits as per (A-IV).

3.6 Introductory Period

PATCO has an introductory period for new employees that consist of 90 days. During the introductory period, we will evaluate your work habits and abilities to make sure that you can perform your job satisfactorily. The introductory period also gives you time to decide if the new job meets your expectations.

Since your employment with PATCO is voluntary and at will, you may terminate your employment at any time during the introductory period, with or without cause or advance notice. Likewise, PATCO may also terminate your employment at any time during or after the introductory period, with or without cause or advance notice.

If you are absent for a significant amount of time during your introductory period, the length of the absence will automatically extend the introductory period. We may also extend the introductory period if we decide it was not long enough to evaluate your performance. This could happen either during or at the end of the introductory period.

When employees satisfactorily complete the introductory period, they are assigned to the "regular" employee classification and become eligible for benefits.

3.7 Evaluations

We encourage you and your supervisor to discuss job performance and goals on an informal, day-to-day basis. In addition, you and your supervisor will have formal performance evaluations to discuss your work and goals, to identify and correct weaknesses, and to encourage and recognize your strengths.

Individual performance evaluations are performed between an employee and the Department Manager. Wages of an employee shall be in conformance with the wage scale for performance, as determined by wage surveys. Department Managers shall adjust wages as required with Division Manager's approval. These evaluations are to be done at least once a year, or at the discretion of the manager. Skills and ability development, efficient use of time, absenteeism, attitude, personal demeanor and hygiene, willingness to accept and follow procedures.

3.8 Payroll

Payroll processing is a daily operation based on daily time reports and it is critical that this be done and it is the responsibility of each employee to report his/ her time properly.

A. Pay Period

1. Hourly employee is weekly (52 pay periods annually) with work week starting on Sunday 12:00am and ending on Saturday at 11:59pm. Payday is on Friday.
2. Salary employee is semi-monthly (24 pay periods annually) with work week starting on Sunday 12:00am and ending on Saturday at 11:59pm. Payday is on the 15th and end of each month.

B. Required Forms (See New Hire Packet)

C. Deductions

1. Federal withholding
2. FICA
3. Medicare
4. State withholding
5. City or local tax (if required)
6. Court Ordered - Child support, Garnishment and etc.
7. Authorized by employee signature for: insurance, 401k and authorized purchases

D. Timecards

Employees shall maintain their own time card and report time daily

E. Paycheck

Only employees will be allowed to receive or pick-up paychecks, unless they furnish PATCO with a signed and notarized affidavit authorizing PATCO to release their paycheck to the specified party as stated in affidavit.

F. Overtime

There may be times when PATCO cannot meet its operating requirements or other needs during regular working hours. If this happens, we may schedule employees to work overtime hours. When possible, we will try to give you advance warning of a

mandatory overtime assignment.

It is our policy that no overtime can be worked without the approval and authorization of the supervisor. We try to distribute overtime assignments fairly among all employees who are qualified to perform the required work.

Nonexempt employees will receive overtime pay in accordance with the federal and state wage and hour laws. Overtime pay is based on the actual hours worked. For this reason, time off for sick leave, vacation and other paid or unpaid leaves of absence is not counted as hours worked when calculating overtime pay. In addition, any drive time to specific jobs is also not considered in calculating overtime pay.

ARTICLE IV BENEFITS

4.1 Benefits

PATCO sponsors a benefits program for all eligible employees. In addition to receiving an equitable salary and having an equal opportunity for professional development and advancement, you may be eligible to enjoy other benefits that will enhance your job satisfaction. We are certain you will agree the benefits program described in this employee manual represents a very large investment by PATCO.

A good benefits program is a solid investment in PATCO employees. PATCO will periodically review the benefits program and will make modifications as appropriate to the company's condition. PATCO reserves the right to modify, add or delete the benefits it offers.

A change in employment classification that would result in the loss of eligibility to participate in the health insurance plan may qualify an employee for benefits continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Refer to the COBRA section of this manual for more information.

Details of the health insurance plan are described in the benefits listing provided to you at your time of employment with PATCO. Contact the Human Resources Department for more information about health insurance benefits.

4.2 Insurance

Due to the rising cost and coverage changes, PATCO like other companies has to take bids and negotiate yearly for best price and coverage's to stay competitive in our markets. These programs have been increasing in cost and show no signs of changing in the immediate future. This means that employee participation will continue to rise as well. To participate, you must have completed your introductory period (A-III-3.06)

- A. Medical insurance and dependent coverage
- B. Dental optional with medical
- C. Life optional with medical
- D. AFLAC Supplemental (See ABL)

You must have elected to participate in the health insurance plan (Blue Cross Blue Shield) to be eligible for the dental/life insurance benefits (Dearborn).

4.3 Retirement Plan

Employee can put up to legal maximum of their gross pay in plan, and PATCO will match 100% of the first 4% of salary that an employee contributes. One year of service must first be completed to qualify. (See ABL)

4.4 Workers' Compensation Insurance

PATCO provides a comprehensive workers' compensation insurance program to our employees. This program does not cost you anything.

The workers' compensation program covers injuries or illnesses that might happen during the course of your employment that require medical, surgical or hospital treatment. Subject to legal requirements, workers' compensation insurance begins after a short waiting period, or if you are hospitalized, the benefits begin immediately.

It is very important that you tell your supervisor immediately about any work-related injury or illness, regardless of how minor it might seem at the time. Prompt reporting helps make sure that you qualify for coverage as quickly as possible and lets us investigate the matter promptly.

Workers' compensation covers only work-related injuries and illnesses. Neither PATCO nor its insurance carrier will pay workers' compensation benefits for injuries that might happen if you voluntarily participate in an off-duty recreational, social, or athletic activity that we might sponsor.

4.5 Holidays

To receive holiday pay you must have completed 6 months of service and you must work the day before and the day after the holiday. Employees who qualify can use a scheduled vacation day to meet the day before and after requirement.

Observed yearly holidays are as follows:

New Year's Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day

If you are eligible for paid holidays and on the holiday you are on a paid absence, such as vacation leave, you will get the holiday pay instead of the paid time off pay you would have received.

If eligible nonexempt employees work on a recognized holiday, they will receive holiday pay plus their wages at their straight-time rate for the hours they worked on that holiday.

We do not count holiday paid time off as hours worked when calculating overtime.

4.6 Vacation

After one year of service, the eligible employee, starting with the employee date of hire will be accredited with vacation days. Vacations must be scheduled 15 days in advance and approved by Department or Division Managers. In the event several individuals want to take vacation time at the same time, PATCO business schedule status and seniority will be the determining factor. PATCO does not allow for the employee to be paid for

any unused vacation days. The employee must use all vacation days within the year or the employee will lose any remaining vacation days unused (except as outlined in C below). PATCO's leave year coincides with the calendar year.

A. Hourly Employees:

Hourly Employees, once eligible, are allowed 40 hours (5 work days) of paid vacation a year.

B. Salaried Employees:

Once eligible, salaried employees are allowed 40 hours (5 work days) of paid vacation and 40 hours (5 work days) of paid time off a year.

C. Safety Incentive Paid Time Off:

Hourly employees may earn an additional 12 hours of paid time off every 6 months if they do not receive any safety or disciplinary write-ups. Safety Incentive Paid Time Off is awarded on 30 June and 31 December of every year and up to 24 hours may be carried over to the next leave year. If you leave service with PATCO, you will be paid for any unused amount.

4.7 Bereavement Leave

PATCO provides bereavement leave to employees who need to take time off because an immediate family member died. To ask for bereavement leave, please see your supervisor. We will give you the time off without pay to attend the funeral and make any necessary arrangements associated with the death.

We normally will give you bereavement leave unless there are business reasons that require you to be at work. With your supervisor's approval, you can use any available paid leave benefits you have, such as vacation, if you need more time off.

For bereavement leave, "immediate family" means your spouse, parent, child, brother or sister; your spouse's parent, child, brother or sister; your child's spouse; your grandparent or your grandchild. We will also consider requests for bereavement leave if someone dies who was as close to you as an immediate family member.

4.8 Sick Leave - Life Threatening Illness in Workplace

PATCO does provide for sick leave or personal time. Please contact your supervisor within a reasonable amount of time should this type of leave be necessary. Normally, sick leave or personal time is taken without pay.

Employees with life-threatening illnesses, such as cancer, heart disease and AIDS, often wish to continue their normal lives, including work, to the degree that they can. PATCO wants to help these employees to work as long as they continue meeting acceptable performance standards.

As in the case of other disabilities, we will make reasonable accommodations in accordance with all legal requirements to allow qualified employees with life-threatening illnesses to perform the essential functions of their jobs.

Medical information on any employee is confidential. PATCO will take reasonable precautions to protect medical information from inappropriate disclosure.

Managers and other employees have a responsibility to respect and maintain the

confidentiality of employee medical information. Anyone inappropriately disclosing medical information is subject to disciplinary action, up to and including termination of employment.

If you have questions or concerns about life-threatening illnesses, you should contact the Human Resources Department and referral to appropriate services and resources.

4.9 Benefits Continuation (COBRA)

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) helps employees and their dependents to continue their health coverage even if they are no longer eligible under our health plan.

There are strict rules about when you can use COBRA. COBRA lets an eligible employee and dependents choose to continue their health insurance when a "qualifying event" happens. Qualifying events include the employee's resignation, termination, leave of absence, shorter work hours, divorce, legal separation or death. Another qualifying event is when a dependent child stops being eligible for coverage under your health insurance.

If you continue your insurance under COBRA, you will pay the full cost of the insurance at PATCO's group rates plus an administration fee. When you become eligible for our health insurance plan, we will give you a written notice describing your COBRA rights. Because the notice contains important information about your rights and what to do if you need COBRA, be sure to read it carefully.

4.10 ERISA

As a participant of PATCO's plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan members shall be entitled to: Examine all plan documents, at the plan administrator's office, without charge. This includes insurance contracts and copies of all documents filed by the plan with the U.S. Department of Labor. Examples of this include detailed annual reports and plan descriptions. You can obtain copies of all plan documents and other plan information upon written request to the plan administrator. The administrator may make a reasonable charge for the copies. You can receive a summary of the plan's financial report. The plan administrator is required by law to furnish each member with a copy of this summary annual report. In addition to creating rights for plan members, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan members and beneficiaries. No one, including your employer, may terminate you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA. If your claim for a welfare benefit is denied in whole or in part, you must receive a written explanation of the reason for denial. You have a right to have the plan reviewed and your claim reconsidered.

If you have questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest Area Office of the U.S. Labor-Management Services Administration, Department of Labor.

4.11 HIPAA

The Health Insurance Portability and Accountability Act of 1996 (HIPAA) limits exclusions for preexisting conditions; prohibits discrimination against employees and their dependents based on their health status; guarantees renew-ability and availability of health coverage to certain employers and individuals; and protects many workers who lose health coverage by providing better access to individual health insurance.

The special enrollment rights apply without regard to the dates on which an individual would otherwise be able to enroll under the plan. Special Enrollment periods apply to you and/or your dependent(s), if you have a new dependent as a result of marriage, birth, adoption or the placement for adoption (qualifying event). Under these rules, a group health plan is required to provide the opportunity for special enrollment for these individuals should they make the request within 30 days of the date the qualifying event occurred.

If you decline enrollment under PATCO's plan for yourself or your dependents (including your spouse) and state in writing that you and/or your dependents have coverage under another group health plan or health insurance coverage as the reason for declining to enroll you may also have special enrollment rights. Special enrollment rights may apply to you and/or your dependents in the event that you and/or your dependents are no longer eligible for this other coverage.

Your plan may offer an Annual Open Enrollment giving you the opportunity to enroll yourself and/ or your dependents if you have previously declined/waived coverage for you and/or your dependents.

4.12 Training and Development

PATCO encourages training and development of all employees, therefore, there will be times when training sessions will be provided during regular work hours and are mandatory to attend.

Development is the personal responsibility of each individual employee and in an effort to assist this endeavor PATCO in some cases will reimburse defined expenses on an individual basis of those employees who attend approved training courses, institutes, seminars and etc. However, no additional payment for time required to attend such courses shall be made following basic wage and hour regulations. The employees Department Manager must submit to Division Manager all such personal development plans for approval. Once authorized the employee must show proof of attendance and satisfactorily completing training before receiving PATCO reimbursement.

ARTICLE V TYPES OF PAY

5.1 Types of Pay

A. Standard

Wage surveys will be performed as needed to measure average rates of defined positions descriptions. The survey will provide data necessary to set a wage scale and assure that PATCO remains competitive within changing market conditions. Work in excess of 40 hours per work shall be paid at one and one half times the standard rate of pay. Work performed on holidays will be paid at two times the standard rate of pay. An employee's immediate supervisor must approve all overtime.

B. Prevailing Wage

When hourly employees work on prevailing rate projects requiring fringe benefit payments, as determined by governing authority, the employee will be paid at least the hourly rate for the classification of work. The total of the hourly wage and fringe benefit package, which exceed the cost of PATCO program, will be paid direct through payroll to employee.

Overtime to be paid as stated in wage determination issued by governing authority. An employee's immediate supervisor must approve all overtime.

C. Per Diem

Whenever an employee resides overnight at a location other than his normal residence as a PATCO requirement, PATCO shall pay the employee as stated.

D. Lodging

Whenever an employee resides overnight at a location other than his normal residence as a PATCO requirement, PATCO shall pay for lodging at an acceptable location with double occupancies used as a standard.

E. Mileage

PATCO will provide reimbursement to employees who are properly authorized to use their own vehicles for PATCO business.

F. Business Travel Expenses

Employees will be reimbursed for purchases, services and etc. that have prior approval and authorization only.

If you are involved in an accident while on business travel, immediately report the accident to your supervisor. If you use a vehicle owned, leased or rented by PATCO, you may not use that vehicle for personal reasons unless you received advance approval.

When a business trip is over, submit your completed travel expense report within 30 days. With your expense report, you must also submit receipts for every expense item.

See your supervisor for help and questions about business travel. It is a very serious matter if you record false or misleading information on your expense report. Employees who do not follow the business travel policy could be subject to disciplinary action, up to and including termination.

ARTICLE VI LEAVE/LAYOFF/TERMINATION

6.1 Leave

Leave of absence without pay shall be allowed to employees for the following:

- A. Immediate supervisor with his/her approval
- B. Leaves in excess of 2 weeks must have the Division Manager's approval
- C. Some recognized holidays will fall on a weekday or weekend, when this occurs, PATCO will have the option of continuing business or closing, during normal work periods

6.2 Military Leave

PATCO will grant a military leave of absence if you are absent from work because you are serving in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). You must give your supervisor advance notice of upcoming military service, unless military necessity prevents advance

notice or it is otherwise impossible or unreasonable.

You will not be paid for military leave. However, you may use any available accrued paid time off, such as vacation or sick leave, to help pay for the leave.

Continuation of health insurance benefits is available as required by USERRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which you are otherwise eligible.

If you are on military leave for up to 30 days, you must return to work on the first regularly scheduled work period after your service ends (allowing for reasonable travel time). If you are on military leave for more than 30 days, you must apply for reinstatement in accordance with USERRA and applicable state laws.

When you return from military leave (depending on the length of your military service in accordance with USERRA), you will be placed either in the position you would have attained if you had stayed continuously employed or in a comparable position. For the purpose of determining benefits that are based on length of service, you will be treated as if you have been continuously employed.

If you have questions about military leave, contact the Human Resources Department for more information.

6.3 Jury Duty

PATCO encourages you to fulfill your civic responsibilities by serving jury duty if you get a summons. You may request unpaid jury duty leave for the absence. You may also use any available paid time off benefits you have, such as vacation, to be paid for an unpaid jury duty leave.

If you get a jury duty summons, show it to your supervisor as soon as possible. This will help us plan for your possible absence from work. We expect you to come to work whenever the court schedule permits.

Either you or PATCO may ask the court to excuse you from jury duty if necessary. We may ask that you be relieved from going on jury duty if we think that your absence would cause serious operational problems at PATCO.

Subject to the terms, conditions and limitations of the applicable plans, PATCO will continue to provide health insurance benefits for the full period of unpaid jury duty leave.

6.4 Family Medical Leave Act

Please see the Human Resources Department for the full explanation of the Family Medical Leave Act (FMLA).

6.5 Layoff

In the event that PATCO anticipates a need for a reduction in forces the following actions will occur.

- A. Department Managers shall notify the employees including any actions required to meet COBRA and/or other plans or programs by the individual after receiving notice. All PATCO and customer properties shall be surrendered immediately upon request. The

employee is expected to perform normal duties during the notice period.

- B. PATCO does not recognize or participate within a policy or plan that includes severance pay

6.6 Termination

Engaging in any form of the following activities may result in immediate termination of the employee.

- A. Insubordination or other disrespectful conduct
- B. Failure to follow policy and procedures as stated by PATCO
- C. Falsification of PATCO documents and records
- D. Deliberate destruction of PATCO or customer property
- E. Stealing or attempting to steal from PATCO, customer, visitors or other employees
- F. Possession of unauthorized weapons during working hours
- G. Conduct that threatens the safety of PATCO employees, customers, visitors and property
- H. Attempting to injure PATCO employees, customers and visitors
- I. Inability or unwillingness to perform duties as directed
- J. Working under the influence of alcohol or illegal drugs
- K. Possession, distribution, sale, transfer or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer- owned vehicles or equipment

ARTICLE VII GENERAL

7.1 Theft or Loss

Employee personal property, tools and etc., left on job sites or on company property is not covered by PATCO insurance. Employees should maintain their tools and personal property under their own control at all times since we are mobile and you may be assigned to different locations at any time, we will not pay for travel or time because an employee left his tools at a different job site. The storage boxes and containers at job sites are to be used to secure PATCO tools, equipment and job materials only.

7.2 Housekeeping

Each employee is responsible for personal, as well as general housekeeping at job site's, shop (including yard and grounds), and offices and in PATCO owned or leased vehicles and equipment.

7.3 Personal Appearance

Office employees shall wear proper casual business attire.

Field employees shall wear proper clothing concerning the type of work they are doing.
(See SHPM)

Personal appearance means how you dress, how neat you are and your personal cleanliness standards. Your personal appearance can influence what customers and visitors think about PATCO. Personal appearance can also impact the morale of your co-workers.

During business hours or whenever you represent PATCO, you should be clean, well groomed, and wear appropriate clothes. This is particularly important if your job involves dealing with customers or visitors in person.

If your supervisor finds that your personal appearance is inappropriate, you will be asked to leave work and return properly dressed and groomed. If you are asked to leave, you will not be paid for the time you are away from work. See your supervisor if you are not sure about the correct clothing standards for your job.

Where necessary, PATCO may make a reasonable accommodation to this policy for a person with a disability.

7.4 Attendance and Punctuality

Employees shall report to and depart from their immediate assigned work location at the designated times.

- A. When an employee is unable to report for work, the employee must report such conditions to their immediate supervisor at the earliest possible time. Field employees returning to duty from leave or a two or more day absence shall notify their Job Supervisor the day before they intend to return to be given any change in assignment.
- B. **Absence Policy** – An employee calling in sick or otherwise must telephone their immediate supervisor not less than thirty minutes (1/2) hour prior to their assigned, scheduled report time. This shall not be construed as applying to an employee who is medically unable to contact their immediate supervisor as determined by a Medical Professional. All calls are counted toward progressive discipline for excessive absenteeism. An employee shall be required to submit a physician's certificate for absences (illness) in excess of two (2) consecutive working days, stating that the employee has been under the physician's care and is able to return to work.
- C. Standard lunch period for all employees shall be one hour taken during mid-shift. Example: Shift 8:00am to 5:00pm should take their lunch period between 11:00am and 1:30pm.

We expect PATCO employees to be reliable and punctual. You should report to work on time and as scheduled. If you cannot come to work or you will be late for any reason, you must notify your supervisor as soon as possible. Unplanned absences can disrupt work, inconvenience other employees and affect productivity. If you have a poor attendance record or excessive lateness, you may be subject to disciplinary action, up to and including termination.

7.5 Computer/Email Usage

To help you do your job, PATCO may give you access to computers, computer files, the email system and software. You should not use a password to access a file, or retrieve

any stored communication without authorization. To make sure that all employees follow this policy, we may monitor computer and email usage.

We try hard to have a workplace that is free of harassment and sensitive to the diversity of our employees. Therefore, we do not allow employees to use computers and email in ways that are disruptive, offensive to others, or harmful to morale.

At PATCO you may not display, download, or email sexually explicit images, messages and cartoons. You also may not use computers and email for ethnic slurs, racial comments, off-color jokes, or anything that another person might take as harassment or disrespect.

You may not use email to ask other people to contribute or to tell them about businesses outside of PATCO, religious or political causes, outside organizations, or any other non-business matters.

PATCO buys and licenses computer software for business purposes. We do not own the copyright to this software or its documentation. Unless the software developer authorizes us, we do not have the right to use the software on more than one computer.

You may only use the software on local area networks or on multiple machines according to the software license agreement. PATCO prohibits the illegal duplication of software and its documentation.

If you know of any violations to this policy, notify your supervisor, the Human Resources Department or any member of management. Employees who violate this policy are subject to disciplinary action, up to and including termination.

7.6 Internet Usage - Workplace Monitoring - Use of Telephones

PATCO may provide you with Internet access to help you do your job. This policy explains our guidelines for using the Internet.

All Internet data that is written, sent or received through our computer systems is part of official PATCO records. That means that we can be legally required to show that information to law enforcement or other parties. Therefore, you should always make sure that the business information contained in Internet email messages and other transmissions is accurate, appropriate, ethical and legal.

The equipment, services and technology that you use to access the Internet are the property of PATCO. Therefore, we reserve the right to monitor how you use the Internet. We also reserve the right to find and read any data that you write, send and receive through our online connections or is stored in our computer systems.

You may not write, send, read or receive data through the Internet that contains content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating or disruptive to any employee or other person.

Examples of unacceptable content include (but are not limited to) sexual comments or images, racial slurs, gender-specific comments, or other comments or images that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by law.

PATCO does not allow the unauthorized use, installation, copying or distribution of copyrighted, trademarked or patented material on the Internet. As a general rule, if you did not create the material, do not own the rights to it, or have not received authorization for its use, you may not put the material on the Internet. You are also responsible for making sure that anyone who sends you material over the Internet has the appropriate distribution rights.

If you use the Internet in a way that violates the law or PATCO policies, you will subject to disciplinary action, up to and including termination. You may also be held personally liable for violating this policy.

PATCO may conduct workplace monitoring to help ensure quality control, employee safety, security and customer satisfaction.

Employees who regularly communicate with customers may have their telephone conversations monitored or recorded. Telephone monitoring helps us to identify training needs and performance problems.

All computer equipment, services or technology that we furnish you are the property of PATCO. We reserve the right to monitor computer activities and data that is stored on our computer systems. We also reserve the right to find and read any data that you write, send or receive by computer.

We may perform video surveillance of non-private workplace areas. We use video monitoring to identify safety concerns, maintain quality control, detect theft and misconduct, and discourage and prevent harassment and workplace violence.

Because we are sensitive to employees' legitimate privacy rights, we will make every effort to guarantee that workplace monitoring is always done ethically and with respect.

If you make personal calls on PATCO business phones, we may require that you pay us for any charges.

Our telephone communications are an important reflection of our image to customers and the community. Always use proper telephone etiquette. The following are some examples of good telephone etiquette: use the approved greeting, speak courteously and professionally, repeat information back to caller and only hang up after the caller hangs up.

Should the party the caller is looking for not be available, please transfer the call to the party's voice mail box. Do not use email or paper messages to relay phone calls to internal employees.

7.7 Personal Property - Cell Phones - Auto Use

Personal cell phones shall not be carried while on PATCO time. When arriving to work all cell phones are to be left in employee's personal vehicle. If someone needs to get in contact with employee, they need to call the office and employee will be contacted immediately, if it is an emergency.

PATCO is not responsible for damage to your personal automobile when you are using it for Company business. The Company will reimburse you based upon the actual miles

driven times the rate established by the Company. The Company must first approve the use of personal vehicle to get reimbursement prior to any use of your personal vehicle. This must totally compensate you for all gasoline mileage, wear and tear, and insurance costs associated with the business use of the vehicle.

7.8 Assigned Vehicles & Equipment - Basic Electrician's Tool List

PATCO vehicles, credit cards, voyager cards and equipment are assigned for the purpose of PATCO business and the necessity for performing job function efficiently and economically. Vehicles are not assigned to any individual for personal use or travel to/from work, but to support the needs of identified projects, activities and/or duties. The Department Managers shall not permit personal usage of these assigned items except through proper written authorization. Motor vehicles owned or leased by PATCO, may be used to support travel requirements of employees only when used to meet project, activities and /or duty requirements. Period of usage cost are applied to the appropriate project or activity requiring the need. Otherwise, vehicle usage will be reported as a transportation fringe benefit and subject to taxable income. Vehicles not in use or assigned for defined business needs shall be parked at the shop per Division Manager's direction. Employees who are assigned vehicle(s) and/or equipment shall see to it that they are properly maintained, cleaned, serviced and repaired. See (SHPM)

- A. When an employee is negligent in the use of PATCO owned or leased vehicles or equipment, the employee shall be responsible and pay for any fines incurred, and may be subject to disciplinary action.
- B. Employee shall be trained on the proper use before operating vehicles and or equipment and shall have the appropriate license and or certification for intended use. See (SHPM)

This list is considered to be the minimum required to do daily work at PATCO, tools denoted ** are required by apprentices. See Safety-Health manual for other items required and PATCO furnished items:

- 1 each volt/ ohmmeter
- 1 each amp meter
- 1 each cordless drill**
- 1 each hacksaw**
- 1 each hole saw kit
- 1 each 3/8" drive socket set
- 1 each knockout set 1-1/2" - 2"
- 1 each nut driver set **
- 1 each Allen wrench sets small & large to handle all sizes of switchgear lugs**
- 1 each screwdrivers of the following size and type
 1. 1-1/4" x 1-1/2" stubby #600-1**
 2. 1;4" x 4" #600-4 **
 3. 3/16" x 6" #600-6 **
 4. No. 2 Phillips stubby #603-1**
 5. No. 3 Phillips 3" #603-3 **
 6. No. 2 Phillips 4" #603-4 **
 7. Conduit fitting reaming tool #85188 **
- 1 each needle nose pliers #D203-8N**
- 1 each diagonal cutters #D2000-48**

1 each linemen pliers #D2000-NETP**
1 each strippers-long nose**
2 each adjustable slotted pliers (Channel Lock) #430**
1 each 6" adjustable wrench**
1 each 8" adjustable wrench**
1 each 12" adjustable wrench**
1 each sheetrock saw**
1 each straight claw hammer**
1 each shop hammer**
1 each tool pouch**
1 each bolt bag**
1 each punch down tool w/ 110 and 66 tips Current Code book**

The following employee furnished and maintained PPE items are required by those who work in the field (See SHPM for details):

1 each provided approved hardhat
1 each provided approved pair of safety glasses
1 each approved pair of steel-toed safety boots

ARTICLE VIII NON-DISCRIMINATION/HARASSMENT

8.1 Disability Accommodation

PATCO is committed to complying fully with the Americans with Disabilities Act (ADA). We are also committed to ensuring equal opportunity in employment for qualified persons with disabilities. We conduct all our employment practices and activities on a non-discriminatory basis.

Our hiring procedures have been reviewed and they provide meaningful employment opportunities for persons with disabilities. When asked, we will make job applications available in alternative, accessible formats. We will also give assistance in completing the application. We only make pre-employment inquiries regarding an applicant's ability to perform the duties of the job.

We require post-offer medical examinations only for jobs that have a bona fide job-related physical requirement. An examination will be given to any person who enters the job but only after that person has been given a conditional job offer. We keep medical records separate from other personnel files and confidential.

Reasonable accommodation is available to an employee with a disability when the disability affects the performance of job functions. We make our employment decisions based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation) as well as job assignments, classifications, organizational structures, position descriptions, lines of progression, and seniority lists. We make all types of leaves of absences available to all employees on an equal basis.

PATCO is also committed to not discriminating against any qualified employee or applicant because the person is related to or associated with a person with a disability.

PATCO will follow any state or local law that gives more protection to a person with a disability than the ADA gives.

PATCO is committed to taking all other actions that are necessary to ensure equal employment opportunity for personal with disabilities in accordance with the ADA and any other applicable federal, state and local laws.

8.2 Harassment

Harassment of any kind is not acceptable behavior at PATCO Electrical; it is inconsistent with the commitment to excellence that characterizes Company activities. PATCO Electrical is committed to creating an environment, in which every individual can work, study, and live without being harassed. Harassment may therefore lead to sanctions up to and including termination of employment.

Harassment is any conduct, verbal or physical, on or off PATCO property, that has the intent or effect or unreasonable interfering with and individual or group's work performance at PATCO or that creates an intimidating, hostile, or offensive work or living environment. Some kinds of harassment are prohibited by civil laws or by PATCO policies on a conflict of interest and nondiscrimination.

Harassment on the basis of race, color, gender, disability, religion, national origin, sexual orientation, or age includes harassment of an individual in terms of a stereotyped group characteristic, or because of that person's identification with a particular group.

Sexual harassment may take many forms. Sexual assault and requests for sexual favors that affect educational or employment decisions constitute sexual harassment. However, sexual harassment may also consist of unwanted physical contact, requests for sexual favors and visual displays of degrading sexual images, sexually suggestive conduct, or offensive remarks of a sexual nature.

PATCO is committed under this policy to stopping harassment and associated retaliatory behavior. All Company Supervisors have a responsibility to act to stop harassment in the areas under their supervision.

Any employee of PATCO who feels harassed is encouraged to seek assistance and resolution of the complaint. PATCO shall provide procedures intended to protect the rights of both complainant and respondent, to protect privacy, and to prevent supervisory reprisal.

8.3 Drug and Alcohol Use

PATCO is committed to being a drug-free, healthful and safe workplace. You are required to come to work in a mental and physical condition that will allow you to perform your job satisfactorily.

PATCO employees may not use, possess, distribute, sell or be under the influence of alcohol or illegal drugs while on PATCO premises or while conducting any business-related activity away from PATCO premises. You may use legally prescribed drugs on the job only if they do not impair your ability to perform the essential functions of your job effectively and safely without endangering yourself or others.

If you violate this policy, it may lead to disciplinary action, up to and including

immediate termination. We also require that you participate in a substance abuse rehabilitation or treatment program. If you violate this policy, there could also be legal consequences.

If you have questions about this policy or issues related to drug or alcohol use at work, you can raise your concerns with your supervisor or the Human Resources Department without fear of reprisal.

8.4 Drug Testing

We are committed to making PATCO a safe, efficient and productive work environment for all employees. There can be serious safety and health risks if an employee uses or is under the influence of drugs on the job. We may ask job applicants and employees to provide body substance samples, such as urine and/or blood. We will use the samples to check for the illegal or illicit use of drugs. If you refuse to be tested for drugs, you may be subject to disciplinary action, up to and including termination.

If you have questions about our drug testing policy or its administration, contact the Human Resources Department.

8.5 Progressive Discipline

This policy describes the policy for administering fair and consistent discipline for unsatisfactory conduct at PATCO.

We believe it is important to make sure that all employees are treated fairly and that disciplinary actions are prompt, consistent and impartial. The major purpose of a disciplinary action is to correct the problem, prevent it from happening again, and prepare the employee for satisfactory performance in the future.

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

Disciplinary action may be any of the following four steps: 1) verbal warning, 2) written warning, 3) suspension with or without pay, or 4) termination of employment. We will look at how severe the problem is and how often it has happened when deciding which step to take. There may be circumstances when one or more steps are bypassed.

In most cases, progressive discipline means that we will normally take these steps in the following order:

- 1) A first offense may call for a verbal warning
- 2) A next offense may be followed by a written warning
- 3) Another offense may lead to a suspension without pay
- 4) Still another offense may lead to termination of employment

In very serious situations, some types of employee problems may justify either a suspension, or in extreme situations, termination of employment, without going through the usual progressive discipline steps.

By using progressive discipline, we hope that most employee problems can be corrected at an early stage benefiting both the employees and PATCO.

8.6 Problem - Resolution

PATCO encourages an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from PATCO supervisors and management.

PATCO tries hard to ensure fair and honest treatment of all employees. We expect supervisors, managers and employees to treat each other with mutual respect. We encourage employees to give positive and constructive criticism to each other.

If you disagree with PATCO rules of conduct, policies or practices, you can state your concerns through the problem resolutions procedure described in this policy. You will not be penalized, formally or informally, for making a complaint as long as you do it in a reasonable, business-like manner. You will also not be penalized for using this problem resolution procedure.

If a situation occurs when you believe that a condition of employment or decision that affects you is not fair, you are encouraged to use the following problem resolution steps. You may stop the procedure at any step.

- 1) You present the problem to your supervisor after the incident occurs. If your supervisor is unavailable or you believe it would be inappropriate to discuss it with your supervisor, you may present the problem to any other member of management.
- 2) Your supervisor responds to the problem during discussion or after consulting with appropriate management, when necessary. Your supervisor documents the discussion.
- 3) You present the problem to the Human Resources Department if the problem is not resolved.
- 4) The Human Resources Department counsels and advises you, helps you to put the problem in writing, visits with your managers, if necessary, and directs you to the President of the Company for a review of the problem.
- 5) You present the problem to the President of the Company in writing.
- 6) The President of the Company reviews and considers the problem. The President of the company informs you of the decision and forwards a copy of the written response to the Human Resources Department for your file. The President of the Company has full authority to make any adjustment that is determined to be appropriate to resolve the problem.

Not every problem can be resolved to everyone's total satisfaction. However, we believe that honest discussion and listening to each other will build confidence between employees and management and help make PATCO a better place to work.