

**XYZ COMPANY TO DATE, Inc.**  
**EMPLOYEE HANDBOOK**

## **XYZ COMPANY TO DATE, Inc.**

Welcome to XYZ Company To Date, Inc.

XYZ Company To Date, Inc. of Arlington, Texas is the originator and developer of the XYZ. Founded in 1976 on an original product idea, XYZ Manufacturing has grown from a small, two-man garage operation to an international corporation. The basis of this phenomenal growth is in a product that provides its user with everything sought for in a writing surface .... function, fashion, and comfort. These three qualities combined, make the XYZ a valuable addition to any home or office.

Today, we are a growing corporation whose success is attributed to dedication, professionalism, and good employees. We believe that our employees are our company's most valuable assets.

We wish you success and good luck with your career at XYZ Company To Date.

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## **INTRODUCTION**

This handbook has been prepared to introduce you to our company and acquaint you with the policies, rules, pay, and benefits that apply to your employment here. Please read this handbook carefully and keep it handy for future reference. One of your first responsibilities is to become familiar with its contents and to review it with your supervisor if you have any questions.

### **AT-WILL STATEMENT AND DISCLAIMER**

THE POLICIES AND PROCEDURES SET FORTH IN THIS EMPLOYEE HANDBOOK ARE NOT A BINDING EMPLOYMENT CONTRACT. EMPLOYMENT WITH XYZ COMPANY TO DATE "AT WILL", MEANING THAT EMPLOYMENT MAY BE TERMINATED AT ANY TIME WITH OR WITHOUT NOTICE, FOR ANY REASON OR NO REASON, BY EITHER CREATIVE MANUFACTURING OR THE EMPLOYEE.

THIS HANDBOOK IS NOT A CONTRACT GUARANTEEING EMPLOYMENT FOR ANY SPECIFIC PERIOD OF TIME. WHILE WE CERTAINLY HOPE THAT YOUR EMPLOYMENT RELATIONSHIP WITH XYZ COMPANY TO DATE WILL BE SUCCESSFUL AND LONG TERM, EITHER XYZ COMPANY TO DATE OR THE EMPLOYEE MAY END THIS RELATIONSHIP AT ANY TIME, WITH OR WITHOUT CAUSE, NOTICE OR REASON. NO MANAGER, SUPERVISOR OR REPRESENTATIVE OTHER THAN XYZ COMPANY TO DATE PRESIDENT OR CHIEF OPERATING OFFICER HAS THE AUTHORITY TO ENTER INTO ANY AGREEMENT GUARANTEEING EMPLOYMENT FOR ANY SPECIFIC PERIOD OF TIME OR TO MAKE ANY WRITTEN OR ORAL PROMISES, AGREEMENTS OR COMMITMENTS CONTRARY TO THIS POLICY. FURTHER, ANY EMPLOYMENT AGREEMENT ENTERED INTO BY THE PRESIDENT OR CHIEF OPERATING OFFICER WILL NOT BE ENFORCEABLE UNLESS IT IS IN WRITING.

THIS HANDBOOK REPLACES AND SUPERCEDES ALL EARLIER XYZ COMPANY TO DATE PERSONNEL PRACTICES, POLICIES AND GUIDELINES.

Revised 4/24/2000

## **EMPLOYMENT POLICIES**

### **Equal Opportunity**

XYZ Company To Date does not discriminate on the basis of race, color, natural origin, sex, religion, age or disability- in- employment. Furthermore, XYZ Company will make all reasonable accommodations necessary to facilitate the employment of disabled persons.

XYZ Company maintains a policy of non-discrimination with all employees and applicants for employment. All aspects of employment are governed on the basis of merit, competence, and qualifications and will not be influenced in any manner by race, color, religion, sex, age, natural origin, or disability. Any employee who has a disability that affects his or her job performance should notify his or her supervisor so that provisions may be made to accommodate the disability. Furthermore, any employee having knowledge of or observing a condition which impedes access by disabled persons or who observe a disabled person in need of assistance on company property, should notify their supervisor, and take whatever steps reasonably necessary to accommodate the disabled individual.

All decisions made with respect to recruiting, hiring, and promoting for all job classifications will be made solely on the basis of individual qualifications related to the requirements of the position. Likewise, the administration of all other personnel matters such as compensation, benefits, transfers, education, and social/recreation programs will be free from any discriminatory practices.

### **Definitions of Employment Status**

The following terms will be used to describe each classification of employment and employment status:

#### **Flat Salary**

Employees whose positions meet specific tests established by the Fair Labor Standard Act (FLSA) and are exempt from overtime pay requirements.

#### **Hourly**

Employees whose positions do not meet FLSA exemptions tests and are paid one and one-half times their regular rate of pay for hours worked in excess of forty per week.

#### **Full Time**

Employees who work an average of at least 32 hours per week on a regular basis. Full Time employees are eligible for all employee benefits when applicable service requirements are met.

**Part Time**

Employees who work an average of fewer than 32 hours per week on a regular basis. Part Time employees are not eligible for employee benefits.

**Introductory.**

Employees with 90 or fewer days of service. They are not eligible for employee benefits.

**Regular**

Employees who have completed the 90-day introductory period. They are employed for an indefinite length of time.

All employees, regardless of classification, status, or length of service, are expected to meet and maintain the Company standards for job performance and behavior.

**Introductory Period for New Employees**

The Introductory period for new employees lasts for 90 days from date of hire. During that time, you have your first opportunity to evaluate XYZ Company to Date as a place to work, and we have our first opportunity to evaluate you as an employee.

Upon satisfactory completion of the introductory period, you will become a Regular Employee.

**Personnel Records**

Important events in your history with the Company will be recorded and kept in your personnel file. Employment applications, performance reviews, change of status records, commendations, and educational attainments are examples of records maintained.

You may receive a copy of any record initiated by the Company regarding your employment. Also, your personnel file is available for your inspection in the Human Resources Department. Contact your supervisor to make an appointment.

## **WAGE AND SALARY POLICIES**

### **General Policy**

We strive to maintain rates of pay at XYZ Company to Date that are comparable to those of other companies in our industry or in the Tarrant County Area with similar kinds of work.

Our wage and salary plan classifies each position on the basis of:

- Knowledge and ability requirements.
- Variety and scope of responsibilities.
- Physical and mental demands.

### **Overtime Pay**

Hourly Employees will be paid time and one-half their regular rate of pay for authorized hours worked in excess of forty (40) in one week. Overtime pay applies only to hours actually worked in the same work week. Vacation days, sick days and holidays are not considered days worked and therefore are not calculated in overtime pay.

All overtime work by Hourly Employees must be authorized in advance by the responsible supervisor.

Flat Salary Employees may work overtime at their discretion if required to meet specific work needs, however no additional pay will be paid. Excessive overtime requirements are discouraged and should be discussed with the responsible supervisor in order to avoid future occurrences.

### **Hours of Work**

For most factory employees our normal workweek consists of forty (40) hours, working eight (8) hours per day, 7:00 a.m. to 4:00 p.m., Thursday through Wednesday. For most office employees our normal workweek consists of forty (40) hours, working eight (8) hours per day, 8:00 a.m. to 5:00 p.m., Thursday through Wednesday. At various times, second shift or overtime hours may be required.

### **Lunch and Rest Periods**

The lunch period for most employees is one hour. Hourly employees are scheduled two, fifteen minute breaks per day, one in the morning and one in the afternoon.

All of these periods are important for your rest and well- being. Please use them for their intended purpose.

### **Paydays**

Paydays are on Friday of each week. If Friday falls on a holiday, you will be paid on the preceding workday. Payment on Friday will include all hours worked through the proceeding Wednesday. Paychecks will be handed out at 4:00 pm on Fridays. Do not ask for paychecks earlier. The only exception to this policy occurs when an employee leaves for vacation on a day earlier than the normal payday, then a request for an early pay check will be considered if made well in advance. Checks will not be given to another individual without written authorization from the employee. Forms for authorization for another person to pick up a paycheck are available from your supervisor.

### **Employment of Minors**

As a general rule, regular employees of the company must be 18 years of age or older. Occasionally, we hire students or others who are 16 or 17 years old, but this is done only under special conditions and must be approved in advance by the Human Resource Department.

## **EMPLOYEE BENEFITS AND SERVICES**

### **Group Insurance**

The Company pays one half the cost of group medical and life insurance for all Regular Full Time Employees. Eligible employees choosing to participate in the program will be asked to pay their half of the individual insurance premium through payroll deduction. Insurance coverage for dependents is also available but must be paid for by the employee. Coverage becomes effective on the 1 st of the month following the month in which the employee becomes eligible.

The Company health insurance benefits are optional for all eligible employees, however, we strongly recommend that you take advantage of this valuable benefit unless you are adequately covered under some other health insurance plan. If you refuse coverage, you cannot enter into the program without demonstrating insurability.

### **401(k) Profit Sharing Plan**

The 401 (k) Profit Sharing Plan is a valuable benefit program offered to you as an employee of XYZ Company to Date, Inc. It is designed to help you put money aside for a financially secure retirement.

Participation in the Plan is easy. You contribute a percentage of your salary to the Plan each payday through convenient payroll deduction and the Company also makes a contribution to your account equal to 50% of every dollar contributed by you up to 6% of your wages. Contributions are then invested in the Plan's investment choices that you select. Your contributions, employer contributions and all future earnings on your account are not subject to federal income tax until you take them out of the Plan. This tax deferral gives your retirement savings the opportunity to grow under the most favorable terms possible.

Joining the Plan is one of the most important steps you'll make toward a financially secure retirement. We urge everyone to take full advantage of what the XYZ Company to Date, Inc. 401 (k) Profit Sharing Plan has to offer.

### **Health Club Membership**

XYZ Company to Date encourages employees to be healthy and physically fit. In order to promote this, the Company will pay the initiation fee and one half of the monthly dues for each Regular Full Time Employee and their family for a membership in the Maverick Athletic Club at 1919 West Pioneer Parkway. We hope you will use the Club often and enjoy the benefits of exercise, good health and well being. To obtain your membership, contact the Human Resources Department.

## **Employee Purchase of Company Products**

Employees may purchase, and are encouraged to do so, any of the products manufactured by XYZ Company to Date. The price for these products is our wholesale price less 20 %. Contact the Human Resources department to arrange for purchase or to answer any questions regarding price or availability.

## **Workers' Compensation**

XYZ Company to Date carries worker's compensation insurance to protect you from damages because of work-related illness or injury. The plan contains certain benefits and limits. Complete and official details are contained in plan documents available in the Human Resources Department.

## **State Unemployment Insurance (SUI)**

XYZ Company to Date contributes to the State Unemployment Fund. No contribution is made directly to you. The purpose of this insurance is to protect you from a total loss of wages when you are unemployed though no fault of your own and assuming you are available, able, and actively seeking other employment. Since the amount paid by the company into this fund is affected by our claims experience rating, all applications for unemployment insurance payments are carefully monitored.

## **Social Security (FICA)**

This federal program provides a base retirement income and other benefits for all eligible participants. It is financed both by employees and employers. The amount of required contribution depends upon a formula prescribed by law and is subject to change.

## **TIME OFF AND EXCUSED ABSENCES**

### **Vacations**

Our paid vacation plan is designed to provide you with the opportunity to rest and get away from the everyday work routine.

Vacation periods are earned as follows:

- 1) Five (5) working days, or one week after one (1) full year of continuous, Full Time service.
- 2) Ten (10) working days, or two weeks after two (2) full years of continuous, Full Time service.
- 3) Fifteen (15) working days, or three weeks after five (5) full years of continuous, Full Time service.

Vacations are not cumulative and must be taken during the twelve (12) months immediately following your anniversary date. No extra compensation will be paid in lieu of vacation, except upon termination.

In order to satisfy your preferences as well as meet the staffing needs of the department, discuss your vacation plans well in advance with your supervisor and complete a Vacation Request form as required. No requests will be considered if made less than one week or five (5) business days in advance. If you are absent due to an illness, emergency, or personal matter and you have already used the five (5) days allowed for that purpose, you will not be allowed to substitute your vacation time.

Employees should attempt to take vacation time in one-week increments to minimize the disruption to their department. Vacation time cannot be paid in less than one (1) day increments.

### **Holidays**

Regular Full Time Employees are eligible for six (6) paid holidays in each calendar Year. They are as follows:

New Year's Day	January 1st
Memorial Day	Last Monday of May
Independence Day	July 4 <sup>th</sup>
Labor Day	1 st Monday of September
Thanksgiving Day	4th Thursday of November
Christmas Day	December 25th

When a holiday falls on Sunday, the following Monday will be observed as the holiday. If the holiday falls on Saturday, the proceeding Friday will be observed as the holiday. In addition, XYZ Company to Date will be closed on the day after Thanksgiving and also on the day after Christmas when Christmas falls on

Monday, Tuesday, Wednesday or Thursday. This is not an additional paid holiday, however, vacation time may be used if payment for the time is desired. We know that many of our employees travel to spend time with friends or loved ones on these holidays. This way they can enjoy the full holiday, then return the next day.

### **Sick/Personal Time**

Regular Full Time Employees are eligible for up to five (5) days of paid leave that must be used in the case of an illness, emergency, or other personal matters. If you are absent from work due to an illness, emergency, or personal matter you are required to contact your immediate supervisor no later than two hours after your scheduled start time. Failure to contact your supervisor by that time will result in an unexcused absence. An unexcused absence will result in you not being paid for that day and your available Sick/Personal Time will be reduced by one day. Employees who abuse this benefit are subject to additional disciplinary action. XYZ Company to Date, Inc. will reward employees for their good attendance by paying them for any unused time upon the anniversary date of their employment. This is not an earned benefit and no amount will be paid upon termination of employment. Sick/Personal Time will not be paid in less than one (1) hour increments. In the case of Department Managers, Sick/Personal Time will not be paid in less than one (1) day increments.

### **Bereavement Leave**

In the event of death in your immediate family. Regular Full Time Employees may have up to three (3) consecutive workdays off, with pay, if necessary to handle family affairs and attend the funeral. "Immediate family" is defined as: father, mother, brother, sister, spouse, child, grandparents, and grandchildren.

### **Jury Duty**

In order that you may serve on a jury without loss of earnings, Regular Full Time Employees will be paid for up to three (3) working days in any calendar year for actual days of jury service. Additional time will be considered a Leave of Absence Without Pay. Contact your supervisor promptly after receiving notification to appear for jury service.

### **Time off without Pay**

There are occasional requests for time off without pay for personal reasons not specifically authorized in the Company Policy Manual. While we recognize that certain necessities may arise, all such requests have to be approved by the appropriate supervisor who must first consider the staffing needs of the company. Each employee performs a unique and valuable function that in most cases cannot be replaced on a short-term basis, therefore, the absent

employee's work usually goes undone. This affects the productivity and moral of other employees whose work often depends on the work of that employee. No such requests for time off without pay will be considered unless all earned vacation time has been used. If no vacation time is available, then the request will be considered upon the circumstances stated above.

### **Family and Medical Leave**

Leave of absence without pay will be granted to Regular Full Time Employees who have been employed for at least twelve (12) months in instances qualifying under the Family and Medical Leave Act of 1993 (FMLA). Eligible employees may apply for up to twelve (12) work weeks (480 hours) of leave during any twelve (12) month period following the commencement of an employee's first FMLA leave. All employees applying for leave under the FMLA must provide a thirty (30) calendar day advance written notice to their supervisor before family leave is to begin if the need for the leave is foreseeable. If this is not possible, then written notice must be given as soon as possible. You must contact the Human Services Department to complete necessary requirements. You will be required to substitute all unused paid vacation or sick leave as part of the FMLA leave. You will be required to complete the proper forms requesting leave and to make arrangements to pay any health and life insurance premiums if these are currently paid through payroll deduction. You will be required to provide proof of medical necessity and you must report periodically on the status of your leave and your intention to return to work. Failure to meet these requirements could result in delay, denial of leave, or termination of employment. Upon qualifying for leave under the FMLA you have the right to restoration to the same or an equivalent job with equivalent pay and benefits upon return from leave.

## **EMPLOYEE DEVELOPMENT**

### **Performance Appraisals**

You will receive a performance appraisal from your supervisor at the end of your 90-day introductory period. Thereafter, appraisals will be scheduled on an annual basis. The performance appraisal is a vehicle for your supervisor to discuss your general performance. It will cover your strength as well as ways in which you may be able to improve. It is also an opportunity for you to discuss your job concerns and career development goals.

### **Tuition Reimbursement**

We would like to encourage you to improve your education and skills. Under special circumstances, employees may be reimbursed for the tuition cost of educational courses taken outside normal working hours. Courses must be directly related to improvement of job performance in order to be eligible for reimbursement and must be approved in advance by the Company.

Reimbursement will occur only after completion of an approved course resulting in a course grade of C or better.

Should you desire to participate in such a program, consult the Human Resources Department for details of the policy and for a Tuition Reimbursement form.

## COMPANY RULES AND STANDARDS OF CONDUCT

### Disciplinary Actions

Groups of people who are working - together for any purpose require certain guidelines pertaining to their conduct and relationships. It is important that all of us be aware of our responsibilities to the company and to fellow employees.

It is our intention to take a constructive approach in this area as well as ensure that actions that interfere with the Company operations or an employee's job are not tolerated.

Not conforming to these standards may result in one of the following forms of disciplinary actions:

- verbal warning
- written warning
- suspension
- discharge

In arriving at a proper course of action, the seriousness of the infraction, past record of the employee, and circumstances surrounding the matter will be considered.

Although it is impossible to identify every possible violation of these standards of conduct, the following is partial list of infractions that will result in disciplinary action:

- 1) Falsifying information including information given on applications for employment.
- 2) Revealing confidential information of any kind, including discussion of one's wages with other employees.
- 3) Theft, fraud, embezzlement, or industrial espionage.
- 4) Using company equipment, material, time, or information for unauthorized purposes or personal use.
- 5) Abusing, destroying, or wasting company property or equipment.
- 6) Carrying concealed weapons or explosives or violating criminal laws on company premises.
- 7) Violation of the drug abuse policy.

- 8) Immoral or indecent conduct.
- 9) Sexual harassment or other unlawful harassment.
- 10) Willful or repeated violation of safety rules.
- 11) Excessive absenteeism or tardiness.
- 12) Performance that does not consistently meet the requirements of the position.

### **Relationship Between Employees**

Employees are encouraged to exercise common politeness and courtesy in all their relationships with each other as well as with management personnel. A cooperative spirit with your co-workers will help you to perform your job duties in a proper, efficient, and workman like manner.

No employee will be permitted to curse, insult, or defame another employee in any manner at any time in or about Company property.

Any fighting on Company property will be cause for dismissal.

### **Sexual Harassment**

It is the policy of XYZ Company to Date to prohibit sexual harassment of its employees in any form by any person.

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, and other verbal and physical conduct of a sexual nature when:

- 1) Submission to such conduct is made, either explicitly or implicitly, a term or condition of an individual's employment;
- 2) Submission to or rejection of such conduct by an individual is used as the basis of employment decisions affecting such individuals; or
- 3) Such conduct has the purpose of or the effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment can occur in many forms, including but not limited to, unwelcome physical conduct, verbal abuse, leering, gestures, insulting and/or degrading comments, and more subtle advances and pressure inviting sexual activity.

However, a single incident of a sexual advance or even a request for a sexual favor is not harassment unless it is backed up by a work-related threat. Thus for example, a single request for a date does not constitute sexual harassment. Furthermore, repeated requests for social interaction have been found not to constitute sexual harassment unless it appears the invitee is being discriminated against because of his or her refusal.

Sexual harassment of any type is strictly prohibited and will not be tolerated. If you feel you are being sexually harassed you should take the following steps in resolving the situation:

- 1) Tell the harasser you find his or her conduct offensive and insist that it stop.
- 2) If the problem continues or if the first violation, in your opinion, so merits, report the matter to your supervisor, unless, of course, the harasser is your supervisor, in which case you should report the matter to your supervisor's supervisor or to any corporate officer of the Company.

Any employee who reports or complains in good faith of sexual harassment will be protected against retaliation or reprisal for making the report or complaint, no matter who the alleged harasser is. The report or complaint will be investigated promptly and as discreetly as possible. All employees having information related to a complaint of sexual harassment are expected to cooperate fully in any investigation of such complaint. Employees cooperating in such an investigation will also be protected against retaliation or reprisal. All reasonable steps will be taken to protect the rights of all parties involved.

Employees should not attempt to handle matters of sexual harassment on their own or on behalf of other employees. Instead, if employees observe or are otherwise made aware of sexual harassment of any person, in anyway connected with this Company, including employees, vendors, or clients, the employees should immediately report such activity to their supervisor or the supervisor's supervisor or any corporate officer of the Company. Employees should not remain silent, even if requested to do so by the victim of such harassment, as the employee's silence further contributes to the continuance of the unlawful conduct and prevents the Company from taking corrective action. Disciplinary action will be taken against any employee found to be in violation of this policy. Such disciplinary action will be determined by the nature of the wrongful act or acts and may result in the immediate dismissal of the offending employee. Likewise, disciplinary action will be taken against any employee found to have made a willfully or intentionally false accusation of sexual harassment.

Employees witnessing or acquiring knowledge of an event or claim of sexual harassment should report the incident as described above. Thereafter, the employee is instructed not to discuss the allegation or information with anyone

else outside or inside the Company, unless specifically instructed to do so. Supervisors, acquiring information about an event or claim of sexual harassment, after reporting the event to a corporate officer of the Company, should refrain from discussing the matter further with anyone outside or inside the Company except as may be required in the conduct of official company business. The provisions of this paragraph are intended to protect the rights and reputation of the accused sexual harasser until such time as an investigation of claim or incident is complete. Communication of malicious gossip or allegations that later prove to be false could subject the communicator to legal liability. However, nothing in this policy should be interpreted as prohibiting an employee from disclosing information to their individual attorney, medical provider or to the appropriate governmental authorities with a legitimate need to know.

### **Other Unlawful Harassment**

Harassment based upon an individual's race, age, religion, color, national origin or disability, which has the purpose of or the effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment, is also prohibited under various state and federal anti-discrimination laws. XYZ Company to Date prohibits such conduct and the policies and procedures outlined above for sexual harassment apply equally to all types of unlawful harassment.

Under Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act, the Equal Pay Act, the Americans With Disabilities Act and the Texas Commission on Human Rights Act, any employee who believes that he or she has been discriminated against or harassed because of his or her race, sex, age, religion, national origin or disability may file a charge of discrimination with either the Equal Employment Opportunity Commission (EEOC) or the Texas Commission on Human Rights (TCHR). Reports to the EEOC must be made within 300 days from the date of the discriminatory employment action. Reports to the TCHR must be made within 180 days from the date of the discriminatory employment action. The addresses and phone numbers for these agencies may be found in most local phone directories under U.S. Government and State Government. XYZ Company to Date encourages any employee, who believes that he or she is a victim of discrimination, to speak with his or her supervisor or any corporate officer of the Company before the employee files a charge of discrimination with the EEOC or TCHR. However, exhaustion of internal company remedies is not required before the employee reports his or her concerns to either of those agencies.

### **Smoking**

In response to the preference of our employees and the health and fire codes of the City of Arlington, we have designated the work area of XYZ Company to Date

as a smoke and tobacco free environment. We ask those employees who wish to use tobacco to do so on their lunch or break periods outside of the building.

### **Conflict of Interest**

Due to the demands and competitive nature of our business, we have a special concern with regards to potential conflict of interest that arises mostly through additional employment (moonlighting). While we recognize your right to engage in other activities outside of your job here, we do expect Full Time Employees to devote their best efforts to our affairs. The primary guideline is one of full disclosure. We ask that you discuss all possible conflicts of interest with your supervisor.

### **Using the Company Telephone**

Telephone facilities are required to conduct our business during working hours. Circumstances come up occasionally where it is necessary to make or receive personal telephone calls during business hours but they should be limited in both length and frequency and only conducted while on lunch or break periods. Personal telephone calls for employees will be posted on the Message board for pickup during lunch or break periods.

### **Attendance Standards**

XYZ Company to Date feels that attendance and punctuality give an accurate indication of an employee's quality of workmanship and interest in the affairs of the Company. Top production is necessary to keep all departments operating smoothly. It is essential, therefore, that your attendance be regular and punctual. If you must be absent or late for work due to illness or other reasons, we ask that you notify your supervisor before work. The company phone number is (817)465-1452. When reporting your absence, also give your expected return date.

### **Absence Without Notice**

After three consecutive days of absence without notice to the company an employee will be presumed to have voluntarily quit and will be removed from the payroll. Any employee returning after such a period will be considered a new employee applicant and if hired will be considered an Introductory Employee for the purpose of Company benefits.

### **Appearance**

All our employees are asked to dress in a professional, business-like, and well-groomed manner suitable for the type of work they perform. We frequently have guests who visit us and it is customary to provide these guests with a tour of our

facilities. We expect our employees to put their "best foot forward" in order to create a favorable impression.

### **Theft of Company Property**

Theft of company property, even the slightest instance, will result in immediate termination and possible prosecution to the greatest extent possible by law.

## **TERMINATION**

Employees whose employment has terminated for any reason whatsoever will receive their final pay on the next forthcoming payday. They will also receive compensation for any unused vacation time.

Employees whose employment has terminated and they later return to employment at XYZ Company to Date must meet all of the applicable service requirements in order to be eligible for employee benefits.

## **COMMUNICATIONS**

### **Resolving Employee Complaints**

Under normal conditions, if you have a job-related problem, question, or complaint, you should discuss it with your supervisor. The simplest, quickest, and most satisfactory solution often will be reached at this level.

If the discussion with your supervisor does not answer your question or resolve the matter to your satisfaction within a reasonable amount of time, you may then present your case to the next higher level of responsible management.

At this point, if the matter is still not resolved, you may present your case in writing to the President who will investigate it and make the final decision.

Difficulties in using this complaint procedure should be brought to attention of the Human Resources Department.

### **Non-union Employee Relations**

There are no unions at XYZ Company to Date. We believe that our employee relations programs and policies make unions unnecessary, and we intend to make every legal effort to keep it that way. XYZ Company to Date was built from the ground up by a hard working group of employees who designed policies and programs in a sincere effort to provide fair treatment and a good working environment for all. We strive to continue that philosophy today.

## **SUBSTANCE ABUSE AND DRUG TESTING POLICY**

### **Statement of Purpose and Scope**

Drug and alcohol abuse in the work place is a major concern. We believe that by reducing drug and alcohol abuse, we will improve the safety, health, and productivity of employees. Our Company is committed to providing a safe, healthy, productive, and lawful working environment. The use of alcohol, illegal drugs and/or controlled substances increases the potential for, among other things, accidents, absenteeism, unsatisfactory work performance, poor morale, damage to the Company's reputation, and may affect employee eligibility for worker's compensation or other health insurance benefits.

The use, possession, or distribution of any illegal drug and/or controlled substance is strictly prohibited while on any Company premise. Violators of this policy are subject to discharge.

Employees found to be under the influence of alcohol or illegal drugs while on any Company premise or while acting-as a representative of the Company while off premise are subject to discharge. This will be determined by the Company Testing Procedure.

Employees undergoing prescribed medical treatment with any substance that might adversely affect his/her job performance or endanger the safety of others is required to report this treatment to his/her immediate supervisor.

### **Cause for Testing**

All employees directly involved in an on-the-job accident or incident that requires a physician's attention will be required to be tested.

Employees who have the smell of alcohol on their breath or who exhibit questionable behavior or where there is reasonable and probable cause to suspect that an employee's behavior is influenced by either alcohol or drugs as observed by a Company representative may be requested to be tested.

Where the Company has been informed that an alcohol or drug problem exists within the Company concerning any employee or group of employees and there is reasonable and probable cause for suspicion, the employee or employees may be required to be tested.

### **Testing Procedure**

Any Company representative who requests an employee to be tested will first contact the employee giving the reason for the reasonable suspicion and after

exploring the circumstances of the case, the employee will be escorted and driven to the designated facility for testing.

Tests that may be required of the employee may include a breathalyzer, urinalysis and/or blood test. If the result of the test is positive, an alternative method may be used by the testing facility to confirm the result. The cost of the test will be paid by the Company.

The employee may be returned to work or suspended until the test results are known. The Company representative will make arrangements to ensure that the employee is safely returned to the work place or his/her residence, which ever is appropriate based upon management discretion.

### **Refusal to be Tested**

Each employee is expected to cooperate and consent to a drug test when requested as a condition of continued employment with the Company. Refusal to consent to a drug test when requested by the Company is cause for discharge.

### **Treatment Programs**

Drug treatment programs are available through public and private health care facilities in our area. However, we do not sponsor or endorse any specific program. Affected employees are encouraged to seek assistance. The group health insurance offered to employees provides limited coverage for expenses related to drug treatment programs. See your supervisor or refer to the plan description for details.

## **EMPLOYEE SAFETY AND HEALTH**

We make every effort to provide safe working conditions for our employees. We observe the safety laws of the governmental bodies within whose jurisdictions we operate. No one will knowingly be required to work in any unsafe manner. Safety is every employee's responsibility. Therefore, all employees are requested to point out potential hazards and do everything possible to keep the company a safe place to work.

### **Accidents**

If an injury occurs on the job, no matter how slight, report it immediately to your supervisor or department head. Failure to report an injury promptly could affect the worker's compensation insurance carrier's responsibility to pay medical expenses.

## **First Aid**

A first aid kit is located in the production supervisor's office. It contains standard supplies of band-aids, methiolate, burn ointment, antiseptic spray, gauze, adhesive tape, eye wash, triangular bandages, gauze pads, and aspirin. If a first aid situation exists and you are not certain how to handle it, contact your supervisor immediately.

## **General Emergencies**

Fire is an ever-present hazard, especially where electrical equipment is concerned. Familiarize yourself with the fire extinguisher locations and the building exits. Every employee should know where the extinguishers are located and how to operate them effectively.

## **CHANGES IN POLICY**

The policies contained in this employee handbook may be changed when, in the opinion of management, circumstances require it. While it is our intention to provide you with advance notice of any changes, it may not always be possible. Therefore, don't consider this to be a fixed contract. Keep in close communications with your supervisor to be sure you are up to date and recognize that changes in policy are the management's prerogative. This handbook was last revised April 24, 2000.

**RECORD OF RECEIPT OF EMPLOYEE HANDBOOK**

I, \_\_\_\_\_ , ACKNOWLEDGE RECEIVING THE EMPLOYEE POLICY HANDBOOK. I CLEARLY UNDERSTAND THAT THIS POLICY HANDBOOK DOES NOT CREATE A CONTRACT FOR EMPLOYMENT WITH XYZ COMPANY TO DATE, AND THAT, XYZ COMPANY TO DATE MAY, CHANGE OR MODIFY THE POLICIES AND PROCEDURES FOUND IN THIS HANDBOOK AT ANYTIME.

\_\_\_\_\_  
EMPLOYEE SIGNATURE

\_\_\_\_\_  
DATE