

# **DW EVANS ELECTRIC, INC. EMPLOYEE HANDBOOK**

**Revised and Effective as of:**

**September 1, 2015**

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## **INTRODUCTORY STATEMENT**

This handbook is designed to acquaint you with DW Evans Electric, Inc. and provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. You should read, understand, and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by DW Evans Electric Inc. to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

No employee handbook can anticipate every circumstance or question about policy. As DW Evans Electric Inc. continues to grow, the need may arise and DW Evans Electric Inc. reserves the right to revise, supplement, or rescind any policies or portion of the handbook from time to time as it deems appropriate, in its sole and absolute discretion. The only exception to any changes is our employment-at-will policy permitting you or DW Evans Electric Inc. to end our relationship for any reason at any time. Employees will, of course, be notified of such changes to the handbook as they occur.

## **Welcome to D.W. Evans Electric Inc.**

Thank you for joining us! We want you to feel that your association with D.W. Evans Electric Inc. will be a mutually beneficial and pleasant one.

You have joined an organization that has established an outstanding reputation for quality. Credit for this goes to every one of our employees. The way we do our jobs presents an image of our entire organization. We hope you, too, will find satisfaction and take pride in your work here. This manual provides answers to most of the questions you may have about D.W. Evans Electric Inc.'s benefit program, as well as the Company policies and procedures we abide by-our responsibilities to you and your responsibilities to us. If anything is unclear, please discuss the matter with your supervisor. You are responsible for reading and understanding this Employee Manual, and your performance evaluations will reflect your adherence to D.W. Evans Electric Inc. policies. In addition to clarifying responsibilities, we hope this Employee Manual will also give you an indication of the company's interest in the welfare of all who work here.

From time to time, the information included in our Employee Manual may change. Every effort will be made to keep you informed through suitable lines of communication, including postings on the Company bulletin boards and/or notices sent directly to you.

Compensation and personal satisfaction gained from a job well done are only some of the reasons most people work. Most likely, many other factors count among your reasons for working- pleasant relationships and working conditions, career development and promotion opportunities, and health benefits are just a few. D.W. Evans Electric Inc. is committed to doing its part to assure you a satisfying work experience.

I extend to you my personal best wishes for your success and happiness at D.W. Evans Electric Inc.

Sincerely,

Michael W. Evans  
President  
D.W. Evans Electric Inc.

## EMPLOYEE ACKNOWLEDGEMENT FORM

The employee handbook describes important information about DW Evans Electric Inc., and I understand that I should consult the Human Resources Administrator regarding any questions not answered in the handbook. I have entered into my employment relationship with DW Evans Electric Inc. voluntarily and acknowledge that there is no specified length of employment. Accordingly, either DW Evans Electric Inc. or I can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except to DW Evans Electric Inc.'s policy of employment-at-will. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the President of DW Evans Electric Inc. has the ability to adopt any revisions to the policies in this handbook. Hereafter, DW Evans Electric Inc. may be referred to as "DW Evans Electric", "DW Evans" or "the Company".

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

EMPLOYEE'S NAME (printed): \_\_\_\_\_

EMPLOYEE'S SIGNATURE: \_\_\_\_\_

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

# **100 Employment Status**

## **105-Equal Employment Opportunity**

Effective date: 01/01/04

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at DW Evans Electric will be based on merit, qualifications, and abilities. DW Evans Electric does not discriminate in employment opportunities or practices on the basis of race, color, citizenship status, religion, creed, gender, sexual orientation, national origin, ancestry, age, physical or mental disability, marital status, veteran status, political affiliations, or any other characteristic protected by law.

In addition to a commitment to provide equal employment opportunities to all qualified individuals, DW Evans Electric has established an affirmative action program to promote opportunities for individuals in certain protected classes throughout the organization.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor or an officer of the Company. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

## **110 ADA - Americans with Disabilities Act**

Effective Date: 01/01/04

DW Evans Electric is committed to complying fully with the Americans with Disabilities Act (ADA) and ensuring equal opportunity in employment for qualified persons with disabilities. All employment practices and activities are conducted on a non-discriminatory basis.

Hiring procedures have been reviewed and provide persons with disabilities meaningful employment opportunities. Pre-employment inquiries are made only regarding an applicant's ability to perform the duties of the position.

Reasonable accommodation is available to all disabled employees, where their disability affects the performance of job functions. All employment decisions are 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 in job assignments, classifications, organizational structures, position descriptions, lines of progression, and seniority lists. Leave of all types will be available to all employees on an equal basis.

DW Evans Electric is also committed to not discriminating against any qualified employees or applicants because they are related to or associated with a person with a disability. DW Evans Electric Inc. will follow any state or local law that provides individuals with disabilities greater protection than the ADA.

This policy is neither exhaustive nor exclusive. DW Evans Electric is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in accordance with the ADA and all other applicable federal, state, and local laws. If you feel you have been unlawfully discriminated against, immediately inform the Human Resource Department. You can be assured that your complaint will be thoroughly investigated.

## **115- ADA Life-Threatening Illnesses**

Effective Date: 01/01/04

Employees with life-threatening illnesses, such as cancer, heart disease, and AIDS, often wish to continue their normal pursuits, including work, to the extent allowed by their condition. DW Evans Electric Inc. supports these endeavors as long as employees are able to meet acceptable performance standards. As in the case of other disabilities, DW Evans Electric Inc. 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 individual employees is treated confidentially. DW Evans Electric Inc. will take reasonable precautions to protect such information from inappropriate disclosure. Managers and other employees have a responsibility to respect and maintain the confidentiality of employee medical information. Anyone inappropriately disclosing such information is subject to disciplinary action, up to and including termination of employment.

Employees with questions or concerns about life-threatening illnesses are encouraged to contact the Human Resources Director for information and referral to appropriate services and resources. If you feel you have been unlawfully discriminated against, immediately inform an officer of the Company. You can be assured that your complaint will be thoroughly investigated.

## **120-Employment-At-Will**

Effective date: 01/01/04

Employment with DW Evans Electric is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, DW Evans Electric may terminate the employment relationship at will at any time, with or without notice or cause, so long as there is no violation of applicable federal or state law.

Policies set forth in this handbook are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between DW Evans Electric and any of its employees. The provisions of the handbook have been developed at the discretion of management and, except for its policy of employment-at-will, may be amended or cancelled at any time, at the Company's sole discretion.

No employee of DW Evans Electric Inc. can enter into an employment contract for a specified period of time, or make any agreement contrary to this policy without written approval from the **President**.

These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the President of DW Evans Electric.

## **125-Introductory Period**

Effective date: 01/01/04

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. DW Evans Electric uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or the Company may end the employment relationship at will at any time during or after the introductory period,

with or without cause or advance notice.

All new and rehired employees work on an introductory basis for the first 90 calendar days after their date of hire. Any significant absence will automatically extend an introductory period by the length of it. If DW Evans Electric Inc. determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended for a specified period.

Upon satisfactory completion of the introductory period, employees enter the "regular" employment classification.

During the introductory period, new employees are eligible for those benefits that are required by law, such as workers' compensation insurance and Social Security. After becoming regular employees, they may also be eligible for other DW Evans Electric - provided benefits, subject to the terms and conditions of each benefits program. Employees should read the information for each specific benefits program for the details on eligibility requirements.

### **130-Employment Status**

Effective date: 01/01/04

It is the intent of DW Evans Electric to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and DW Evans Electric

Each employee is designated as either NONEXEMPT or EXEMPT from federal and state wage and hours laws. NONEXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wages laws. An employee's EXEMPT or NONEXEMPT classification may be changed only upon written notification by DW Evans Electric Inc. management.

In addition to the above categories, each employee will belong to one other employment category.

REGULAR FULL-TIME employees are those who are not in a temporary or introductory status and who are regularly scheduled to work DW Evans Electric's full-time schedule. Generally, they are eligible for DW Evans Electric's benefits package, subject to terms, conditions, and limitations of each benefit program.

PART-TIME employees are those who are not assigned to work on a temporary status and who are regularly scheduled to work less than 30 hours per week. While they do receive legally mandated benefits (such as social security and workers' compensation insurance), they are not eligible for all of DW Evans Electric's other benefit programs.

INTRODUCTORY employees are those whose performance is being evaluated to determine whether further employment in a specific position or with DW Evans Electric is appropriate. Employees who satisfactorily complete the introductory period will be notified of their new employment classification.

TEMPORARY or Seasonal employees are those who are hired as interim replacements, to temporarily supplement the work force or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. While temporary employees receive all legally mandated benefits (such as social security and workers' compensation insurance), they are ineligible for all of DW Evans Electric's other benefit programs.

#### CONTRACT LABOR

It is the company's policy to hire people as employees. Occasionally the need may arise to contract with someone as an independent contractor. In order to qualify as an independent contractor, the person must:

- a) Provide a Federal Identification/Social Security Number
- b) Provide a valid certificate of insurance
- c) Meet guidelines as published by the Internal Revenue Service as related to the degree of supervision required, norm for industry, other clients, etc.
- d) Provide an invoice for services rendered.

If an individual does not meet these requirements, they may be considered an employee. Independent contractors are not eligible for any Company provided benefits including but not limited to social security matching, unemployment, workers' compensation or medical insurance.

### **135-Immigration Law Compliance**

Effective date: 01/01/04

DW Evans Electric Inc. is committed to employing only United States citizens and aliens who are authorized to work in the United States, and does not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility and Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with DW Evans Electric Inc. within the past three years, or if their previous I-9 is no longer retained or valid.

Employees with questions or seeking more information on immigration law issues are encouraged to contact the Human Resources Administrator. Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

### **200-Time-Off and Benefits**

#### **205-Absenteeism**

Effective date: 01/01/04

**Attendance** - To maintain a safe and productive work environment, DW Evans Electric expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness places a burden on other employees and on the Company. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the

anticipated tardiness or absence. Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

**Absence or Lateness**

From time to time, it may be necessary for you to be absent from work. DW Evans Electric Inc. is aware that emergencies, illnesses, or pressing personal business that cannot be scheduled outside your work hours may arise. Paid time off has been provided for this purpose. If you are unable to report to work, or if you will arrive late, please contact your supervisor immediately. If you know in advance that you will need to be absent, please request this time off directly from your supervisor. When you call in to inform the Company of an unexpected absence or late arrival, simply ask for your supervisor. If you're arriving to work late, please let your supervisor know when you expect to arrive for work. If you are unable to call in yourself because of an illness, emergency or for some other reason, be sure to have someone call for you. Absence from work for three (3) consecutive days without notifying your supervisor or the Human Resources Administrator will be considered a voluntary resignation. If you are absent because of an illness for three (3) or more successive days, your supervisor may request that you submit written documentation from your doctor stating you are able to resume normal work duties before you will be allowed to return to work. A consistent pattern of questionable absences can be considered excessive, and may be cause for concern. In addition, excessive lateness or leaving early without letting the supervisor know will be considered a "lateness pattern" and may carry the same weight as an absence. Other factors, like the degree and reason for the lateness, may be taken into consideration. Your supervisor will make a note of any absence or lateness, and their reasons, in your personnel file. Be aware that excessive absences, lateness or leaving early may lead to disciplinary action, including possible dismissal.

**210-Vacation Benefits**

Effective date: 05/02/11 REVISD TO PTO 9/1/2015

**215-Holidays**

Revised: 03/09/07 REVISD TO PTO 9/1/2015

We no longer have any specific "paid holidays". Any days off (on holidays or non-holidays) must be approved in advance and will only be "paid" if you have PTO time available. If you wish to use PTO at any time, you must notify the office.

**217-PTO**

**PAID TIME OFF** - Policy – effective 9/1/15

Beginning 9/1/15 all "Vacation" hours and "Holiday" hours will be combined into one "Paid Time Off" category.

**"PTO"** hours are calculated as outlined below and accumulated on a weekly basis for full time employees and accumulated on an "hours worked" calculation for any part time employees (scheduled to work less than 32 hours per week)

		FULL TIME Hours accumulated weekly	FULL TIME Yearly PTO Hours	PART TIME "HOURLY" Accrual
Accumulated hours are available for use after 90 day introductory period		1.69	88	.042
On Anniversary Date	4 <sup>th</sup>	2.46	128	.062
	8 <sup>th</sup>	3.08	160	.077
	15 <sup>th</sup>	3.38	176	.085

Your PTO "Hrs Paid This Period" and "Balance Hrs" will print on your weekly paycheck stub after your introductory period is complete.

## **220-Funeral or Bereavement Leave**

Effective date: 01/01/04

Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisors' approval, use any available paid leave for additional time off as necessary.

Three days (24 hours) of absence will be paid for "immediate family" defined as the employee's spouse, parent, child, step-child, or sibling. For other relatives such as a grandparent, brother-in-law, sister-in-law, mother-in-law or father-in-law one day (8 hours) of absence will be paid.

## **225-Jury Duty**

Effective date: 01/01/04

DW Evans Electric Inc. encourages employees to fulfill their civic responsibilities by serving jury duty when required. Non-Exempt employees may request unpaid jury duty leave for the length of absence. If desired, employees may use any available paid time off (for example, vacation benefits). Salaried employees will be paid in accordance with the Fair Labor Standards Act.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

Either DW Evans Electric Inc. or the employee may request an excuse from jury duty if, in DW Evans Electric Inc. 's judgment, the employee's absence would create serious operational difficulties.

DW Evans Electric Inc. will continue to provide health insurance benefits for the full term of the jury duty absence.

## **235-Personal Leaves**

Effective date: 01/01/04

Occasionally, for medical, personal, or other reasons, you may need to be temporarily released from the duties of your job with DW Evans Electric Inc. It is the policy of DW Evans Electric Inc. to allow its eligible employees to apply for and be considered for certain specific leaves of absence. In general, a leave of absence is an official authorization to be absent from work **without pay** for a specified period of time.

Eligible employees may request personal leave only after having completed 365 calendar days of service. As soon as eligible employees become aware of the need for a personal leave of absence, they should request leave from their supervisor. Requests for leave must be submitted in writing to your supervisor at least two (2) weeks prior to your intended leave period, if the leave is foreseeable. Your request should state the reason for leave, the proposed departure date and the proposed date of return. If you require assistance in writing your request, please contact the office.

Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during

the leave and will resume upon the employee's return to active employment.

If an employee fails to report to work promptly at the expiration of the approved leave period, DW Evans Electric Inc. will assume the employee has resigned.

## **240-Military Leave**

Effective Date: 01/01/04

A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable.

The leave will be unpaid. However, employees may use any available paid time off for the absence.

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 the employee is otherwise eligible.

Benefit accruals, such as vacation or holiday benefits, will be suspended during the leave and will resume upon the employee's return to active employment.

Employees on military leave for up to 30 days are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Employees returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service.

Contact the Human Resources Administrator for more information or questions about military leave.

## **245-Insurance Benefits**

Effective date: 01/01/04

DW Evans Electric Inc. is committed to sponsoring a comprehensive 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 the Company.

A good benefits program is a solid investment in DW Evans Electric Inc.'s employees. DW Evans Electric Inc. will periodically review the benefits program and will make modifications as appropriate to the company's circumstances. The Company reserves the right to modify, add or delete the benefits it offers.

Details of the health insurance plan are described in the Summary Plan Description (SPD) found in Addenda A to this handbook. Regular full-time employees are eligible to participate

upon completion of their introductory period, open enrollment, or a special enrollment as provided by HIPAA. Contact the Human Resources Administrator for more information about health insurance benefits.

## **250-COBRA Benefits Continuation**

Effective date: 01/01/04

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under DW Evans Electric Inc.'s health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; or a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary pays the full cost of coverage at DW Evans Electric Inc.'s group rates plus a 2% administration fee. DW Evans Electric Inc. provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under DW Evans Electric Inc.'s health insurance plan. The notice contains important information about the employee's rights and obligations.

## **255-Section 125 Plan**

Effective date: 01/01/04

For the benefit of our employees, we have a Section 125 Plan. This allows employees to contribute toward the cost of their health insurance from their pay on a pre-tax basis. This has the potential to reduce actual out-of-pocket costs by 20% or more, depending on your particular tax bracket. There are certain changes in family circumstances that the IRS will consider as valid reasons to make mid-year plan changes.

## **260-HIPAA**

Effective date: 01/01/04

**HIPAA - The Health Insurance Portability and Accountability Act of 1996** HIPAA was signed into law on 8/21/96. HIPAA's provisions limit exclusions for preexisting conditions; prohibit discrimination against employees and dependents based on their health status; guarantee renewability and availability of health coverage to certain employers and individuals; and protect many workers who lose health coverage by providing better access to individual health insurance. Your Insurance Carrier will probably handle most of HIPAA's rules and regulations. See your Plan Administrator for more details.

**HIPAA Special Enrollment (Federal Register Section 54.9801-6T)** - 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 are to apply to you and/or your spouse and/or your children if **you have a new dependent as a result of marriage, birth, adoption or the placement for adoption**. Under these rules, a group health plan is required to provide a special enrollment period for these individuals should they request enrollment within **30 days** after a special enrollment event has occurred.

**HIPAA Special Enrollment for Declining Enrollment** - If you are declining enrollment for yourself or your dependents (including your spouse) and **you 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, then special enrollment rules may

apply to you and/or your spouse and/or your children in the **event you and/or your dependents have lost this other coverage due to the loss of eligibility.**

**HIPAA Annual Open Enrollment** - 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 dependents.

***Request additional information and forms from your Benefits Plan Administrator or Human Resource Department.***

## **263-Retirement Plan**

Effective date: 01/01/04

To assist you in saving for your retirement, DW Evans Electric Inc. provides a simple IRA Plan. You may be eligible to participate in the Plan if you have earned \$5,000 with the company during any two preceding years and are reasonably expected to earn \$5,000 during a third year in order to participate in that year. After you enter the Plan, your contributions will be submitted by the Plan Administrator into the funds you select.

D.W. Evans Electric will make matching contributions (1% - 3% of your salary) with a "not to exceed" amount that will be set forth at the beginning of each year. The details for this benefit will be listed in the "Summary Plan Description" that will be given to each eligible employee in November for the next calendar year. These payroll deductions are Federal and State tax deferred. All deductions, along with the company-matching portion, will be sent to a designated financial institution on a monthly basis.

You will inform them of the accounts/funds in which your money is to be invested in at the time of enrollment

## **265-ERISA**

Effective date: 01/01/04

**ERISA - Statement Of Employee Retirement Income Security Act (ERISA) Rights** As a participant of DW Evans Electric Inc.'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.
- 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.
- 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 any 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.

## **270-Workers' Compensation Insurance**

Effective date: 01/01/04

DW Evans Electric Inc. provides a comprehensive workers' compensation insurance program at no cost to employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance provides benefits after a short waiting period or, if the employee is hospitalized, immediately.

Employees who sustain work-related injuries or illnesses should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible. As a drug-free workplace you may be required to take a drug test following your involvement in an accidental injury.

Neither DW Evans Electric Inc. nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by the Company.

## **275-Personnel Data Changes**

Effective 01/01/04

It is the responsibility of each employee to promptly notify DW Evans Electric Inc of any changes in personnel data. Personal mailing address, telephone number, number and names of dependents, individuals to be contacted in event of emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If your personnel data has changed, notify the Human Resources Administrator.

## **280-Access to Personnel Files**

Effective 01/01/04

DW Evans Electric Inc. maintains a personnel file for each employee. The personnel file includes such information as the employee's initial job application, resume, records of training documentation of performance appraisals and salary increases and other employment records.

Personnel files are the property of DW Evans Electric Inc., and access to the information they contain is restricted. Generally only supervisors and management personnel of the Company who have a legitimate reason to review information in a file are allowed to do so.

Employees who wish to review their own file should contact the Human Resources Administrator with reasonable advance notice. Employees may review their own personnel files in DW Evans Electric Inc. offices and in the presence of an individual appointed by the

Company to maintain the files.

## **285-Employment Reference Checks**

Effective date: 01/01/04

To ensure that individuals who join DW Evans Electric are well qualified and have a strong potential to be productive and successful, it is the policy of DW Evans Electric Inc. to check the employment references of all applicants.

The Human Resources Administrator will respond to all reference check inquiries from other employers. Responses to such inquiries will confirm only dates of employment, wage rates and position(s) held.

## **290-Job Descriptions**

Effective date: 01/01/04

DW Evans Electric Inc. seeks to maintain job descriptions to aid in orienting new employees to their jobs, identifying the requirements of each position, establishing hiring criteria, setting standards for employee performance evaluations, and establishing a basis for making reasonable accommodations for individuals with disabilities. Each job description will include an essential duties and responsibilities section.

The manager and the hiring manager prepare job descriptions when new positions are created. Existing job descriptions will also be reviewed and revised in order to ensure that they are up to date. Job descriptions may also be rewritten periodically to reflect any changes in the position's duties and responsibilities. All employees will be expected to help ensure that their job descriptions are accurate and current, reflecting the work being done.

Employees should remember that job descriptions do not necessarily cover every task or duty that might be assigned, and that additional responsibility may be assigned as necessary. Contact your supervisor if you have any questions or concerns about your job description.

Please refer to Addenda B for tool requirements for all electrical positions.

## **300-Pay Practices**

### **305-Performance Evaluation**

Revised date: 01/01/11

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. A formal written performance evaluation will be conducted within the employee's initial 90 day period of hire, known as the introductory period. Additional formal performance evaluations are conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals. Evaluations are usually conducted annually at the end of the quarter in which the anniversary date is within.

### **310- Salary Administration**

Effective date: 01/01/04

The salary administration program at DW Evans Electric Inc. was created to achieve consistent pay practices, comply with federal and state laws, mirror our commitment to Equal

Employment Opportunity, and offer competitive salaries within our labor market. Because recruiting and retaining talented employees is critical to our success, DW Evans Electric Inc. is committed to paying its employees equitable wages that reflect the requirements and responsibilities of their positions and are comparable to the pay received by similarly situated employees in other organizations in the area.

Compensation for every position is determined by several factors, including the essential duties and responsibilities of the job, and salary survey data on pay practices of other employers. DW Evans Electric Inc. periodically reviews its salary administration program and restructures it as necessary. Merit-based pay adjustments may be awarded in conjunction with superior employee performance documented by the performance evaluation process. Incentive bonuses may be awarded depending on the overall profitability of DW Evans Electric Inc. and based on each employee's individual contributions to the organization.

Employees should bring their pay-related questions or concerns to the attention of their immediate supervisors, who are responsible for the fair administration of departmental pay practices. The Human Resources Administrator is also available to answer specific questions about the salary administration program.

### **315-Overtime**

Effective date: 01/01/04

When operating requirements or other needs cannot be met during regular working hours, employees will be given the opportunity to volunteer for overtime work assignments. All overtime work must receive the supervisor's prior authorization. Overtime assignments will be distributed as equitably as practical to all employees qualified to perform the required work.

Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage and hour restrictions. Overtime pay is based on actual hours worked. Time off for holidays, sick leave, vacation leave, or any leave of absence will not be considered hours worked for purposes of performing overtime calculations.

All overtime must be approved in advance by your Supervisor.

### **320-Pay Dates**

Effective date: 03/01/12

It is the normal pay practice of DW Evans Electric Inc. to process "Direct Deposit" to employee bank accounts by Thursday of each week for the prior pay period.

If any change in this schedule is foreseen you will be advised as soon as possible.

### **325-Loans and Payroll Advances**

Effective date: 01/01/04

It is the policy of DW Evans Electric Inc. to not make payroll advances, loans, or cash payroll checks. This policy will be strictly observed.

### **330-Shift Premium**

Effective date: 01/01/04

A shift premium increase of \$1.00 per hour will be paid for any hours worked between 9pm and 5am (unless these hours are within your normal shift).

## **335-Travel Pay and Per Diem**

Effective date: 01/01/12

Employees working out of town (requiring lodging) will receive an additional \$1 per hour when working within the Continental United States (CONUS). When working outside the United States (OCONUS) an additional \$2 per hour will be paid.

Lodging will be provided by the company and Per Diem pay for meals will be issued based on the destination of travel in consideration of the US General Services Administration guidelines.

## **400-Standards of Business Conduct**

### **405-Conduct and Work Rules**

Effective date: 01/01/04

To ensure orderly operations and provide the best possible work environment, DW Evans Electric Inc. expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- Theft or inappropriate removal or possession of property
- Falsification of timekeeping records
- Working under the influence of alcohol or illegal drugs
- 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
- Fighting or threatening violence in the workplace
- Boisterous or disruptive activity in the workplace
- Negligence or improper conduct leading to damage of employer-owned or customer-owned property
- Insubordination or other disrespectful conduct
- Violation of safety or health rules
- Failure to report accidents, job-related injuries and/or fires to project management
- Removal of safety devices
- Violating the solicitation/non-distribution policy
- Excessive tardiness or absenteeism
- Failure to work scheduled overtime or obtain prior authorization of overtime from Supervisor
- Smoking in prohibited areas
- Sexual or other unlawful or unwelcome harassment
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- Absence without notice
- Unauthorized absence from work station during the workday
- Unauthorized use of telephones, mail system, or other employer-owned equipment
- Unauthorized disclosure of business "secrets" or confidential information
- Use of obscene or profane language

- Failure to use sanitary facilities
- Unauthorized posting or removal of notices from project bulletin boards
- Violation of personnel policies
- Unsatisfactory performance or conduct

Employment with DW Evans Electric Inc. is at the mutual consent of the company and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice.

## **410-Confidentiality - Business Ethics and Conduct**

Effective date: 01/01/04

The successful business operation and reputation of DW Evans Electric Inc. is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

The continued success of DW Evans Electric Inc. is dependent upon our customers' trust and we are dedicated to preserving that trust. Employees owe a duty to themselves, the Company, its customers, and shareholders to act in a way that will merit the continued trust and confidence of the public.

Upon accepting employment with DW Evans Electric Inc., you were asked to sign a Confidentiality Agreement (Addenda C), which generally provides that you will not disclose or use any company confidential information, either during or after your employment. Your employment with DW Evans Electric Inc. assumes an obligation to maintain confidentiality, even after you leave our employ.

Additionally, our customers and suppliers entrust DW Evans Electric Inc. with important information relating to their businesses. The nature of this relationship requires maintenance of confidentiality. In safeguarding the information received, DW Evans Electric Inc. earns the respect and further trust of our customers and suppliers.

If you are questioned by someone outside the company or your department and you are concerned about the appropriateness of giving them certain information, you are not required to answer. Instead, as politely as possible, refer the request to your Human Resources Administrator.

No one is permitted to remove or make copies of any DW Evans Electric Inc. records, reports or documents without prior management approval. Disclosure of confidential information could lead to termination, as well as other possible legal action.

The Company will comply with all applicable laws and regulations and expects its managers, directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with your immediate supervisor and, if necessary, with the Human Resources Administrator for advice and

consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

## **415-Conflict of Interest**

Effective date: 01/01/04

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflict of interest. This policy establishes only the framework within which DW Evans Electric Inc. wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the Human Resources Administrator for more information or questions about conflicts of interest.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of DW Evans Electric Inc.'s business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to an officer of the Company as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which DW Evans Electric Inc. does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving the Company.

## **420-Outside Employment**

Effective date: 01/01/04

Employees may hold outside jobs as long as they meet the performance standards of their job with DW Evans Electric Inc. All employees will be judged by the same performance standards and will be subject to the Company's scheduling demands, regardless of any existing outside work requirements.

If the Company determines that an employee's outside work interferes with performance or the ability to meet the requirements of DW Evans Electric Inc., the employee may be asked to terminate the outside employment if he or she wishes to remain with the Company. Outside employment that constitutes a conflict of interest is prohibited. Employees may not receive any income or material gain from individuals outside DW Evans Electric Inc. for materials produced or services rendered while performing their jobs.

## **425-Complaints - Problem Resolution**

Effective date: 01/01/04

DW Evans Electric Inc. is committed to providing the best possible working conditions for its employees. Part of this commitment is encouraging an open and frank atmosphere in which any problem, complaint, suggestion, or question receives a timely response from Company

supervisors and management.

DW Evans Electric Inc. strives to ensure fair and honest treatment of all employees. Supervisors, managers, and employees are expected to treat each other with mutual respect. Employees are encouraged to offer positive and constructive criticism.

If employees disagree with established rules of conduct, policies, or practices, they can express their concern through the problem resolution procedure. No employee will be penalized, formally or informally, for voicing a complaint with DW Evans Electric Inc. in a reasonable, business-like manner, or for using the problem resolution procedure.

If a situation occurs when employees believe that a condition of employment or a decision affecting them is unjust or inequitable, they are encouraged to make use of the following steps. The employee may discontinue the procedure at any step.

1. Employee presents problem to immediate supervisor after incident occurs. If supervisor is unavailable or employee believes it would be inappropriate to contact that person, employee may present problem to Human Resources Administrator or any other member of management.
2. Supervisor responds to problem during discussion or after consulting with appropriate management, when necessary. Supervisor documents discussion.
3. Employee presents problem to Human Resources Administrator if problem is unresolved.
4. Human Resources Administrator counsels and advises employee, assists in putting problem in writing, visits with employee's manager(s), if necessary, and directs employee to President for review of problem.
5. Employee presents problem to President in writing.
6. President reviews and considers problem. President informs employee of decision and forwards copy of written response to Human Resources Administrator for employee's file. The President has full authority to make any adjustment deemed appropriate to resolve the problem.

Not every problem can be resolved to everyone's total satisfaction, but only through understanding and discussion of mutual problems can employees and management develop confidence in each other. This confidence is important to the operation of an efficient and harmonious work environment, and helps to ensure everyone's job security.

## **430-Harassment**

Effective date: 01/01/04

It is the long established policy of the DW Evans Electric Inc. to extend equal employment and advancement opportunities to all qualified individuals regardless of their race, color, age, sex, pregnancy, gender, disability, religion, national origin, ethnic background, military service or citizenship.

All personnel are reminded that each employee is at all times to be treated courteously by fellow employees, so that he or she is free from harassment or interference based on factors

such as those mentioned above.

Harassment is defined as unwelcome or unsolicited verbal, physical or sexual conduct that interferes with an employee's job performance or which creates an intimidating, offensive or hostile work environment. Examples of what may be considered harassment, depending on the circumstances, are:

- Questions or comments that unnecessarily infringe on personal privacy or offensive, sexist, off color or sexual remarks, jokes, slurs or propositions or comments that disparage a person or group on the basis of race, color, age, sex, pregnancy, gender, creed, disability, religion, national origin, ethnic background, military service or citizenship.
- Derogatory or suggestive posters, cartoons, photographs, calendars, graffiti, drawings, other materials, or gestures.
- Inappropriate touching, hitting, pushing or other aggressive physical contact or threats to take such action.
- Unsolicited sexual advances, requests, or demands, explicit or implicit, for sexual favors.

Anyone who feels that he or she has been discriminated against or harassed should report such incidents to:

Mike Evans or Sandra Shambley

The Company will promptly investigate all charges of violation of this policy. The confidentiality of persons reporting violations will be respected so far as practicable in conducting an investigation of such claims. There will absolutely be no retaliation against persons filing such complaints.

### **435-Sexual Harassment: Our Policy**

Effective date: 01/01/04

It is the policy of this Company that all employees shall have the right to work in an environment free from any form of unlawful discrimination. Sexual Harassment is constituted as discrimination and is prohibited by state and federal laws. Therefore, it is the position of this company that sexual harassment will not be tolerated. It is a violation of Company policy for any supervisor or employee, male or female, to engage in sexual harassment as defined below. Such conduct will result in disciplinary action up to and including dismissal.

The Equal Employment Opportunity Commission (EEOC) defines sexual harassment as follows:

Quid Pro Quo - Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute quid pro quo when (1) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment and, or (2) submission or rejection of such conduct by an individual is used as the basis for employment decisions affecting an individual.

Hostile Environment - Is one which unwelcome sexual advances, requests for sexual favors and verbal or other conduct of a physical nature occur and when such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

Some examples of sexual harassment include but are not limited to:

- Unwanted sexual advances
- Offering employment benefits in exchange for sexual favors
- Making threatening reprisals after a negative response to sexual advances
- Visual conduct such as leering, making sexual gestures, or displaying sexually suggestive objects, pictures, cartoons, or posters
- Verbal conduct such as making derogatory comments, epithets, slurs, sexually explicit jokes or comments about an employee's body or dress Verbal sexual advances or propositions
- Verbal abuse of a sexual nature, graphic verbal commentary about an individual's body, sexually degrading words to describe an individual or suggestive or obscene letters, notes or invitations
- Physical conduct such as touching, assault or impeding or blocking movement and
- Retaliation for reporting harassment or threatening to report harassment

Any employee who believes he/she has experienced such conduct by anyone, including a supervisor, co-worker or by persons doing business with or for this Company should tell the offender that such conduct is unwelcome and unacceptable. If the offensive behavior does not stop, or if the employee is uncomfortable confronting the offender, the employee must immediately report such conduct to their supervisor, or to either of the Company Compliance Officers listed below:

Mike Evans OR Sandra Shambley

This company prohibits retaliation against any employee who complains of sexual harassment or who participates in an investigation. All aspects of the complaint-handling procedure will be handled discreetly. However, it may be necessary to include others on a need to know basis.

All incidents of prohibited harassment that are reported will be investigated. The Compliance officers listed above will immediately undertake or direct an effective, thorough, and objective investigation of the harassment allegations. The investigation will be completed as soon as practicable and a determination regarding the reported harassment will be made and communicated to the employee who complained and to the accused harasser. If a complaint of prohibited harassment is substantiated, appropriate corrective action, up to and including discharge, will be taken. Appropriate action will also be taken to correct the effects of the harassment and to deter any future harassment.

## **440-Workplace Violence Prevention**

Effective date: 01/01/04

DW Evans Electric Inc. is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in our society, in general, we have adopted the following guidelines to deal with intimidation, harassment, or other threats (or actual) violence that may occur during business hours or on its premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay", or other conduct that may be dangerous to others.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member or of the public at any time, including off-duty periods, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's of race, color, citizenship status, religion, creed, gender, sexual orientation, national origin, ancestry, age, physical or mental disability, marital status, pregnancy, veteran status, political affiliations, or any other characteristic protected by law.

All threats of (or actual) violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of management. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible.

All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your work area, do not try to intercede or to see what is happening.

The Company will promptly and thoroughly investigate all reports of threats of (or actual) workplace violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical. In order to maintain workplace safety and integrity of its investigation, the Company may suspend employees, either with or without pay, pending investigation.

Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in violation of these guidelines will be subject to disciplinary action up to and including termination of employment.

DW Evans Electric Inc. encourages employees to bring their disputes or differences with other employees to the attention of their supervisors or another member of management before the situation escalates into violence. DW Evans Electric Inc. is eager to assist in the resolution of employee disputes, and will not discipline employees for raising such concerns.

## **445-Communications - Electronic and Telephonic**

Effective date: 01/01/04

All electronic and telephonic communication systems and all communications and information transmitted by, received from, printed from, or stored in these systems are the property of the Company and as such are to be used solely for job-related purposes. The Company retains the right to monitor all of its electronic and communication systems at its discretion including listening to and/or printing up and reading all voice mail and e-mail

messages stored in these systems. The use of any software and business equipment, including, but not limited to, facsimiles, telecopiers, computers, and copy machines for private purposes is strictly prohibited.

Employees using this equipment for personal purposes do so at their own risk. Further, employees are not permitted to use a code, access a file, or retrieve any stored communication unless authorized to do so or unless they have received prior clearance from an authorized Company representative. All pass codes are the property of the Company. No employee may use a pass code that has not been issued to that employee or that is unknown to the Company. Employees who violate this policy are subject to disciplinary action, up to and including discharge.

To ensure that the use of electronic and telephonic communications systems and business equipment is consistent with the Company's legitimate business interests, authorized representatives of the Company may monitor the use of such equipment from time to time to determine if such use is business-related.

DW Evans Electric Inc. purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related documentation. Unless authorized by the software developer, the Company does not have the right to reproduce such software for use on more than one computer.

Employees may only use software on local area networks or on multiple machines according to the software license agreement. DW Evans Electric Inc. prohibits the illegal duplication of software and its related documentation.

E-mail is an extension of the workplace and any abusive or inappropriate e-mail will result in disciplinary action by the employer that could lead to termination. There will be no allowances for display or transmission of any sexually explicit images, cartoons or messages. The e-mail system will not be allowed to be used for any communications containing any racial or ethnic slurs or epithets or anything that could be construed as harassment or offensive to others based on of race, color, citizenship status, religion, creed, gender, sexual orientation, national origin, ancestry, age, physical or mental disability, marital status, pregnancy, veteran status, political affiliations, or any other characteristic protected by law. E-mail may not be used to solicit others for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

All messages on the e-mail system can be traced to their author even after they are deleted.

Employees should notify their immediate supervisor, the Information Services Department or any member of management upon learning of violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.

As a condition of employment and continued employment, employees are required to sign a Communications acknowledgment form. Applicants are required to sign this form on acceptance of an employment offer by the Company.

## **450-Computer - Internet Usage**

Effective date: 01/01/04

Internet access to global electronic information resources on the World Wide Web is provided by DW Evans Electric Inc. to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage.

All Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of official Company records and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, employees should always ensure that the business information contained in Internet e-mail messages and other transmissions is accurate, appropriate, ethical, and lawful.

The equipment, services, and technology provided to access the Internet remain at all times the property of DW Evans Electric Inc. As such, DW Evans Electric Inc. reserves the right to monitor Internet traffic, and retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems.

Data that is composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person. Examples of unacceptable content may include, but are not limited to, sexual comments or images, racial slurs, gender-specific comments, or any other comments or images that could reasonably offend someone on the basis of race, color, citizenship status, religion, creed, gender, sexual orientation, national origin, ancestry, age, physical or mental disability, marital status, pregnancy, veteran status, political affiliations, or any other characteristic protected by law.

The unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited. As a general rule, if an employee did not create material, does not own the rights to it, or has not gotten authorization for its use, it should not be put on the Internet. Employees are also responsible for ensuring that the person sending any material over the Internet has the appropriate distribution rights.

Abuse of the Internet access provided by DW Evans Electric Inc. in violation of law or company policies will result in disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of this policy. The following behaviors are examples of previously stated or additional actions and activities that are prohibited and can result in disciplinary action:

- Sending or posting discriminatory, harassing, or threatening messages or images
- Using the organization's time and resources for personal gain
- Stealing, using, or disclosing someone else's code or password without authorization
- Copying, pirating, or downloading software and electronic files without permission
- Sending or posting confidential material, trade secrets, or proprietary information outside of the organization
- Violating copyright law
- Failing to observe licensing agreements
- Engaging in unauthorized transactions that may incur a cost to the organization or initiate unwanted Internet services and transmissions
- Sending or posting messages or material that could damage the company's image

- or reputation
- Participating in the viewing or exchange of pornography or obscene materials
- Sending or posting messages that defame or slander other individuals
- Attempting to break into the computer system of another organization or person
- Refusing to cooperate with a security investigation
- Sending or posting chain letters, solicitations, or advertisements not related to business purposes or activities
- Using the Internet for political causes or activities, religious activities, or any sort of gambling
- Jeopardizing the security of the organization's electronic communications systems
- Sending or posting messages that disparage another organization's products or services
- Passing off personal views as representing those of the organization
- Sending anonymous e-mail messages
- Engaging in any other illegal activities

## **455-Discipline**

Effective date: 01/01/04

The purpose of this policy is to state DW Evans Electric Inc.'s position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace. The best disciplinary measure is the one that does not have to be enforced and comes from good leadership and fair supervision at all employment levels.

DW Evans Electric Inc.'s own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future.

Although employment with DW Evans Electric Inc. is based on mutual consent and both the employee and the Company have the right to terminate employment at will, with or without cause or advance notice, DW Evans Electric Inc. may use progressive discipline at its discretion.

Disciplinary action may call for any of four steps -- verbal warning, written warning, suspension with or without pay, or termination of employment -- depending on the severity of the problem and the number of occurrences. There may be circumstances when one or more steps are bypassed or are duplicated.

Progressive discipline means that, with respect to most disciplinary problems, these steps will normally be followed: a first offense may call for a verbal warning; the next offense may be followed by a written warning; another offense may lead to a suspension; and, still another offense may then lead to termination of employment. Each phase of disciplinary action will be documented in your employee file, and the employee will be asked to sign written warnings/suspension notices. The employee signature on these documents is an acknowledgement that the employee has been advised and is not an agreement with the statements made therein.

DW Evans Electric Inc. recognizes that there are certain types of employee problems that are serious enough to 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 employee and DW Evans Electric Inc.

## **460-Gifts**

Effective date: 01/01/04

Advance approval from management is required before an employee may accept or solicit a gift of any kind from a customer, supplier or vendor representative.

Employees are not permitted to give unauthorized gifts to customers or suppliers, except for certain promotional "premiums" (such as T-shirts, coffee mugs, pens or key chains) imprinted with the DW Evans Electric Inc. logo or sales information.

## **500-Safe Work Place**

### **505-First Aid - Accidents**

Effective date: 01/01/04

**Call 911**, or the emergency phone number, if required. If an accident or illness should occur, no matter how slight, notify your manager or supervisor immediately so that appropriate medical treatment can be administered. With the number of reported AIDS and Hepatitis B cases continuing to rise, it is imperative that employees take extreme care in case of an accident, both on and off the job. The transfer of any body fluid (blood, saliva, urine, etc.) may pass on the AIDS virus. Use caution to avoid contact with these body fluids. **Each first aid kit contains plastic gloves, please be sure to use them.** If this is not possible, use a strong disinfectant, such as Lysol or liquid bleach, to clean up afterwards. On the job injuries will be handled in accordance with the Worker's Compensation laws. Any employee who is injured while on the job must notify the **Human Resources Administrator** immediately to be eligible for coverage provided under the Worker's Compensation Act. As part of our Drug Free Work Place, you may also be required to submit to drug testing if you are injured on the job.

### **510-Safety**

Effective date: 01/01/04

To assist in providing a safe and healthful work environment for employees, customers, and visitors, DW Evans Electric Inc. has established a workplace safety program. This program is a top priority for the Company. The Safety Department has responsibility for implementing, administering, monitoring, and evaluating the safety program. Its success depends on the alertness and personal commitment of all.

***Please refer to our Safety Manual for additional information on our commitment to safety.***

### **515-Drug Free Work Place**

Effective date: 01/01/04

It is DW Evans Electric Inc.'s desire to provide a drug-free, healthful, and safe workplace. To promote this goal, employees are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner. Please see Addenda D for additional information concerning our Substance Abuse Policy.

### **520-Drug Testing**

Effective date: 01/01/04

DW Evans Electric Inc. is committed to providing a safe, efficient, and productive work environment for all employees. Using or being under the influence of drugs or alcohol on the job may pose serious safety and health risks. To help ensure a safe and healthful working environment, job applicants and employees may be asked to provide body substance samples (such as urine and/or blood) to determine the illicit or illegal use of drugs and alcohol. Refusal to submit to drug testing may result in disciplinary action, up to and including termination of employment.

Copies of the drug testing policy will be provided to all employees. Employees will be asked to sign an acknowledgement form indicating that they have received a copy of the drug testing policy. Questions concerning this policy or its administration should be directed to the Human Resources Administrator.

## **600- Day-to-Day Business**

### **605-Automobile - Company Business**

Effective date: 01/01/04

DW Evans Electric Inc. is not responsible for damage to your personal auto when you are using it for Company business. The Company will reimburse the employee based on actual miles driven times the rate established by the Company. This must totally compensate you for all gasoline mileage, wear and tear, and insurance costs associated with the business use of the vehicle.

DW Evans Electric Inc. will reimburse employees for reasonable business travel expenses will be paid on a per diem basis. At the Company's discretion, the actual costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives may be reimbursed by the Company. In this case, Employees are expected to limit expenses to reasonable amounts.

Employees who are involved in an accident while traveling on business must promptly report the incident to their immediate supervisor. Vehicles owned, leased, or rented by DW Evans Electric Inc. may not be used for personal use without prior approval.

When travel is completed, employees should submit completed travel expense reports by the following Monday. Receipts for all individual expenses should accompany reports.

Employees should contact their supervisor for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursement for specific expenses, or any other business travel issues.

Abuse of this business travel expense policy, including falsifying expense reports to reflect costs not incurred by the employee, can be grounds for disciplinary action, up to and including termination of employment.

## **610-News Media**

Effective date: 01/01/04

To ensure that all company related information is accurate and up to date, all requests for comment are to be referred to the Human Resources Administrator for a response. No statement which involves DW Evans Electric Inc. its policies, clients or employees is to be released verbally or in writing; all inquires are to be referred to the person(s) named above.

## **615- Personal Mail**

Effective date: 01/01/04

Occasionally we receive mail addressed to an employee's attention and marked "Personal and Confidential." Sometimes these pieces of mail are inadvertently opened, and sometimes they are opened because the addressee is not here and it is believed that the piece of mail is an important business-related item that requires immediate attention. Accordingly, the company assumes that it has each employee's permission to open any piece of mail received at the office address. For this reason, it would be wise to direct your personal non-business mail to another address.

## **620-Personal Property**

Effective date: 11/16/06

DW Evans Electric Inc. cannot be responsible for personal property that is lost, damaged or stolen. If you bring personal property/items/belongings into the office, on company property, or to jobsites you are responsible for them.

Personal tools that are stolen from job site, vehicles, or company premises should be claimed on your personal homeowner's policy. Due to limitations on personal homeowner's policies with property away from home premises, it may not be covered by your homeowner's policy. If the claim is then made on the company insurance policy, a police report and evidence that tools were properly secured will be required. Claims due to negligence will be denied. Employee will be responsible for insurance deductibles. Claims not covered by the company's insurance policy will be the employee's responsibility.

DW Evans Electric Inc. prohibits any items on the premises or worksite that are sexually suggestive, offensive, or demeaning to specific individuals or groups. Firearms and other weapons are prohibited. Employees should understand that all personal property brought onto the employer's premises may be inspected for purposes of enforcing the organization's policies and to protect against theft.

## **625-Telephone – Personal Use**

Effective date: 01/01/04

When necessary, use of the office telephone for local personal calls is permitted. It is expected that you will not abuse this privilege and that calls will be short and to the point. Too many personal calls cost the employee and the Company productivity. Personal long-distance calls charged to the company are prohibited. Ask the operator to charge the call to your home telephone number or use a calling card for these purposes.

### *Cell Phones*

The Company understands that the use of a cell phone while working or driving can be distracting. If you feel you cannot give sufficient attention to your activities while completing your work related phone call, we will suggest that you pull to side of road or cease your task until you complete your call. Non-work related incoming calls should not be received on your company provided cell phone except in case of emergency. All outgoing calls should be short and to the point.

## **630-Visitors**

Effective date: 01/01/04

To provide for the safety and security of our employees and the facilities at DW Evans Electric Inc., only authorized visitors are allowed in the workplace. Restricting unauthorized

visitors helps maintain safety standards, protect against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, avoid potential distractions and disturbances.

All visitors should enter DW Evans Electric Inc. through the lobby. Authorized visitors will receive directions or be escorted to their destination. Employees are responsible for the conduct and safety of their visitors.

If an unauthorized individual is observed on Company premises, employees should immediately notify their supervisor or, if necessary, escort the individual to the lobby.

### **635-Rest and Meal Periods**

Effective date: 01/01/04

All regular full-time employees are provided with one 30-minute meal period each workday. Supervisors will schedule meal periods to accommodate operating requirements. Employees will be relieved of all active responsibilities and restrictions during meal periods and will not be compensated for that time.

### **640-Use of Equipment and Vehicles**

Effective date: 01/01/04

Equipment and vehicles essential to accomplishing job duties are expensive and may be difficult to replace. When using Company equipment or vehicles, employees are expected to exercise care; perform required maintenance; and follow all operating instructions, safety standards and guidelines.

Employees should notify their supervisors if any equipment, machines, tools or vehicles appear to be damaged, defective or in need of repair. Prompt reporting of damages, defects and the need for repairs will prevent deterioration of equipment and possible injury to employees and others. Supervisors can answer any questions about an employee's responsibility for the maintenance and care of equipment or vehicles used on the job.

Personal use of Company equipment or vehicles is strictly prohibited including during breaks or lunches.

### **645-Solicitation and Distribution of Materials**

Effective date: 01/01/04

Solicitation and distribution of literature by non-employees is prohibited.

Solicitation by employees is prohibited when the person soliciting or the person being solicited are on working time. Working time is the time employees are expected to be working and does not include any authorized breaks, such as meal periods, etc.

### **650-Uniforms**

Effective date: 01/01/04

Uniforms are provided at no cost to regular full time employees and must be worn each day. It is the responsibility of each employee to keep their uniforms clean and presentable.

Upon termination of employment the employee must return all uniforms to the Office by the

end of the current pay period or the cost may be deducted from the employee's final paycheck.

## **700-Termination**

### **705-Termination of Employment**

Effective date: 01/01/04

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated:

- Resignation - voluntary employment termination initiated by an employee
- Discharge - involuntary employment termination initiated by the organization
- Layoff - involuntary employment termination initiated by the organization for non-disciplinary reasons
- Retirement - voluntary employment termination initiated by the employee meeting age, length of service, and any other criteria for retirement from the organization

DW Evans Electric Inc. will generally schedule exit interviews at the time of employment termination. The exit interview will afford an opportunity to discuss such issues as employee benefits, benefit continuation eligibility, repayment of outstanding debts to DW Evans Electric Inc. , or return of DW Evans Electric Inc. -owned property. Suggestions, complaints, and questions can also be voiced.

Since employment with DW Evans Electric Inc. is based on mutual consent, both the employee and DW Evans Electric Inc. have the right to terminate employment at will, with or without cause, at any time. Employee benefits will be affected by employment termination in the following manner. All accrued, vested benefits that are due and payable at termination will be paid. This includes final paycheck and vacation benefits.

### **710-Exit Interviews**

Effective date: 01/01/04

The purpose of an exit interview is twofold. It allows the Company to gain information that will help us to improve the selection of employees, training practices, working conditions and management and business practices. It also allows you a time to be informed of your rights and benefits on insurance coverage and other Company issues.

Whenever possible, an exit interview will be held between the terminating employee and the Field Employee Representative or your supervisor/foreman. It is our hope that this will allow us to part amicably.

## **720-Reemployment**

Effective date: 03/01/12

Employees that were previously laid off due to lack of work and are reemployed within a 12-month period will receive credit for prior service when calculating eligibility for some benefits such as vacation and holiday pay. The specific time of absence will not be accrued for time off accumulation.

If reemployment occurs within 12 months and insurance was previously elected, you will have the option of waiving the 90-day waiting period for medical, dental, supplemental, and life insurance. If employment lapse was 60 days or greater, existing condition clause may apply for medical insurance coverage.

Employees who willfully terminate (quit or resign) his or her employment with D.W. Evans Electric, Inc. and later wish to be reemployed may be allowed to reinstate using prior service time depending on the specific circumstances. Usually and most often, a new employment start date is required.

Reemployed individuals must complete new employment paperwork if employment lapse was 60 days or greater.

# ADDENDA A

SEE EMPLOYEE INSURANCE FILE  
RENEWS DECEMBER 1<sup>ST</sup> OF EACH YEAR

# NOTICE OF SPECIAL ENROLLMENT RIGHTS

---

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

Employee Name: \_\_\_\_\_

Social Security No. \_\_\_\_\_

**Initial Enrollment**

You have completed the waiting period of \_\_\_\_\_ days and are now eligible to enroll yourself and/or your dependents in our Company's Group Health Plan.

**Special Enrollment**

When enrollment is offered to an employee or dependent under the plan and is declined, then under HIPAA, a group health plan is required to permit employees and dependents (including your spouse) Special Enrollment periods (Federal Register Section 54.9801-6T Special Enrollment). 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** are to apply to you and/or your spouse and/or your child/ren **if you have a new dependent as a result of marriage, birth, adoption or the placement for adoption.** Under these rules, a group health plan is required to provide a special enrollment period for these individuals should they request enrollment within **30 days** after a special enrollment event has occurred.

**Special Enrollment for Declining Enrollment**

**If you are declining enrollment** for yourself or your dependents (including your spouse) and you 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, then special enrollment rules may apply to you and/or your spouse and/or your child/ren in the event you and/or your dependents have lost this other coverage due to the loss of eligibility.

**If you are declining enrollment for yourself and/or dependents** because you have **COBRA** continuation coverage under another plan, **you will not be eligible for a Special Enrollment until COBRA continuation coverage has been exhausted or terminated as a result of loss of eligibility.**

**Loss of eligibility does not include a loss due to failure of the individual or the participant to pay premiums on a timely basis or termination of coverage for cause** (such as making a fraudulent claim or an intentional misrepresentation of a material fact in connection with the plan).

**Under these rules, a group health plan is required to provide a special enrollment period for yourself and/or your dependents should they request enrollment within 30 days after the loss of other coverage has occurred.**

***If you are declining enrollment, please be sure to sign a Notice of Declining Enrollment form.***

**Annual Open Enrollment**

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 dependents.

***Please check with your plan administrator to verify if this option is available to you and/or your dependents.***

Signed: \_\_\_\_\_

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

# **ADDENDA B**

D.W. EVANS ELECTRIC

## **EMPLOYEE TOOL REQUIREMENTS**

# TOOL REQUIREMENTS

1. D.W. Evans Electric Inc. furnishes all tools and equipment to construction jobs, except the small hand tools which are normally provided by the workers themselves. It is the responsibility of the job supervisor to see that all workers on his job meet the following company requirements.
2. In order to qualify for your correct pay scale, each employee must furnish the following tools. Tool requirements will increase according to your experience and classification.

## BEFORE WORK

tool pouch & belt	4" screwdriver (medium)	safety shoes
9" side cutting pliers	6" phillips screwdriver	torpedo level
430 channellock pliers (2pr)	6" screwdriver (large)	electricians knife
gloves	wire strippers	12'-30' tape measure
hard hat		

## 2 YRS EXPERIENCE

tool box & lock	stakon tool	nut drivers up to 1"
hacksaw	long nose pliers	allen wrenches up to 1/2"
6' folding ruler	straight tinsnipes	holding screwdriver
flashlight w/batteries	voltage tester	8" screwdriver (large)
keyhole saw	file -flat & round	4" phillips screwdriver
2 Lb. hammer	putty knife	stubby screwdrivers
1" & 1 1/2" cold chisel	center punch	

## 4 YRS EXPERIENCE

NEC code book	pliers (2 pr)	wrenches box/open end 3/8" to 3/4"
amprobe tester	vise grip pliers	6" & 12" adjustable wrench
2' level	tap tool up to 1/4"	diagonal cutting pliers(dykes)
tri square	socket set up to 1"	1/2"& 3/4" hole saw w/arbor
460 channel lock	battery hammer drill	receptacle tester(woodhead)
lock & tag	chalk line & plumb bob	1/2"- 1 1/4" K.O. cutters

3. An experienced employee will usually have many items of small hand tools over and above those that the company requires. These may be tools that aid in performing the work more efficiently and with less fatigue.
4. The job supervisor should note, that more often than not, an employee can be judged by the type and condition of the tools which he carries in his personal tool box.

# **ADDENDA C**

D.W. EVANS ELECTRIC

## **CONFIDENTIALITY AND NON-COMPETE AGREEMENT**

## CONFIDENTIALITY AND NON-COMPETE AGREEMENT

I, \_\_\_\_\_, ("**Employee**"), in exchange for the promise of employment with **D. W. EVANS ELECTRIC, INC.**, or any of its subsidiaries or affiliates (said corporation and its subsidiaries or affiliates being hereinafter individually and collectively referred to as the "Company") agree to the following:

1. I will not, either during my employment with the Company or for a period of one year thereafter, either directly or indirectly, for myself or any third party, become engaged in any business or activity which is directly or indirectly in competition with any product sold by, or any business or activity engaged in by the Company.
2. I will not, either during my employment with the Company or for a period of one year, solicit or have any contact with any current customer of the Company, or solicit potential customers if such potential customers are or were identified through leads developed during the course of my employment with the Company, or otherwise divert or attempt to divert any existing business of the Company, within an area of Durham and/or Orange Counties (or any other counties in North Carolina in which I may have worked while an employee of the Company).
3. I will not, either during my employment with the Company or for a period of one year thereafter, either directly or indirectly, for myself or any third party, solicit, induce, recruit, or cause another person in the employ of the Company to terminate his/her employment for the purpose of joining, associating or becoming employed with any business or activity which is in competition with any product sold, or any business or activity engaged in, by the Company.
4. At any time upon the Company's request and, in any event, upon termination of my employment with the Company, I will immediately deliver to the Company all data, manuals, specifications, lists, notes, writings, customer and product lists, photographs, microfilm, tape recordings, computer disks or media, and all other documents or tangible materials whatsoever, including all copies or duplicates, concerning any part of the Company's activities or concerning any part of my activities as a Company employee. All such documents and tangible materials, and copies or duplicates thereof, including my own notes, are acknowledged by me to be the Company's property which is only entrusted to me on a temporary basis.
5. I will not, either during my employment with the Company or at any time thereafter, except as required in the conduct of the Company's business or as authorized in writing by the Company, use, publish, disclose, appropriate or communicate, directly or indirectly, any of the following information which I, in any way, have acquired or may acquire during, or by reason of, my employment with the Company; (A) marketing, sales, service, pricing, cost, business method, formula, product specification, planning, engineering, and technical information relating to the Company, as well as customer lists and any other information which could give any third party an opportunity to obtain an advantage over competitors who did not know such information; and (B) trade secrets, which are used in the Company's business and give the Company an opportunity to obtain an advantage over competitors who do not know them.
6. I understand that in the event of a violation of any provision of this Agreement, the Company shall have the full right to seek injunctive relief, in addition to any other existing rights provided in this Agreement or by operation of law, without the requirement of posting bond.
7. I shall reimburse the Company for all costs, expenses or damages that it incurs as a result of any violation by me of any provision of this Agreement. This obligation shall include court costs, litigation expenses, and actual, reasonable attorneys' fees if, and only if, the Company establishes by a preponderance of evidence that the violation: (A) was committed by me and that I knew it to be a violation; or (B) was repeated or continued by me, or by others with whom I associated in connection with the violation, after the Company had formally or informally asked me and/or them to cease and desist, or to cause the violation to be discontinued.

8. I understand that this Agreement applies regardless of whether there are any changes in my job duties, job title, location of my place of work or division assignment. This Agreement shall remain in full force and effect if I voluntarily terminate my employment and thereafter I am rehired by the Company. Under such circumstances, it is unnecessary for the Company to have me execute a new Agreement. I also understand that this Agreement is effective as of the date of my employment with the Company, but that nothing in this Agreement gives, or shall be deemed to give, me any right to continued employment for any length of time.
9. The remedies provided in this Agreement shall be in addition to any legal or equitable remedies existing at law or provided for in any other agreement between me and the Company, and shall not be construed as a limitation upon, or an alternative for, or in lieu of, any such remedies. If any provision of this Agreement shall be held invalid for any reason whatsoever, the remaining provisions shall not be affected thereby.
10. This Agreement may not be waived, changed, modified, abandoned, or terminated, in whole or in part, except by an instrument signed by an officer of the Company and by me.
11. This Agreement shall be binding upon me, my personal representatives and successors, and shall inure to the benefit of the Company, its successors and assigns.
12. This Agreement shall be governed by the laws of the State of North Carolina.
13. I agree that the invalidity, illegality or unenforceability of any one or more of these promises, by judgment or Court Order or otherwise shall in no way affect any other provision hereof which are declared to be severable and which shall remain in full force and effect.

**EMPLOYEE:**

\_\_\_\_\_  
 STATE OF NORTH CAROLINA  
 COUNTY OF \_\_\_\_\_

I, \_\_\_\_\_, a Notary Public of the County and State aforesaid, certify that \_\_\_\_\_ personally appeared before me this day and acknowledged the execution of the foregoing instrument.

Witness my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

My commission Expires: \_\_\_\_\_

# **ADDENDA D**

**D.W. EVANS ELECTRIC**

## **SUBSTANCE ABUSE POLICY**

**D.W. EVANS ELECTRIC INCORPORATED**

# **SUBSTANCE ABUSE POLICY**

This policy establishes D.W. Evans Electric Inc.'s position on the use or abuse of alcohol, drugs, or other controlled substances by its employees. It is part of D.W. Evans Electric Inc., commitment to safeguard the health of its employees, to provide a safe place for its employees to work, and to supply its customers with the highest quality construction and service possible. Because substance abuse, either while at work or away from work, can seriously endanger the safety of employees and render it impossible to supply top quality construction and service, D.W. Evans Electric Inc., has established this program to detect users and remove abusers of alcohol, drugs or other controlled substance. D.W. Evans Electric. Inc., is committed to preventing the use and/or presence of these substance in the work place.

## **THE INTENT OF THIS POLICY IS:**

- 1) To provide clear guidelines and consistent procedures for handling incidents of an employee's use of alcohol, drugs or controlled substances that affect job performance, and to make every effort to institute and maintain a drug-free work place.
- 2) To ensure that employees conform to all state and federal regulations regarding alcohol, drugs or controlled substances.

## **THE ESSENTIAL PARTS OF THIS PROGRAM ARE AS FOLLOWS:**

- 1) D.W. Evans Electric Inc., prohibits the unlawful manufacture, distribution, dispensation, presence, or use of alcohol, drugs or other controlled substances on its property or work sites. Employees violating this prohibition will be disciplined up to and including termination.
- 2) D.W. Evans Electric Inc., will utilize drug testing to help administer this policy. The following types of testing will be used:
  - a) Employees will be tested for cause.
  - b) Employees who occupy sensitive positions from a safety and health or security standpoint, including all transportation positions, will be tested randomly on an annual basis.
  - c) Employees will be tested where required by a customer's program or by contract with a federal or state agency.
  - d) Employees will be tested following accidents where required by law or under this policy.
  - e) Employees will be tested when returning from a lengthy absence from duty.
- 4) This policy applies to all employees of D.W. Evans Electric Inc.
- 5) On projects covered by the Drug Free Work Place Act or other federal or state contract, laws, or regulations, all employees will be given a copy of this policy; be required to notify D.W. Evans Electric Inc., of any conviction for violation of a criminal drug statute in the work place within five (5) days, and acknowledge receipt of this policy by signing the Employee Acknowledgment: Form.

D1

## **A. EXPLANATION OF TERMS**

### **LEGAL DRUGS / ILLEGAL DRUGS / CONTROLLED SUBSTANCES**

- 1) Legal Drugs

Legal drugs include alcohol, medication prescribed by a physician, and over-the-counter medications. D.W. Evans Electric Inc., prohibits the use of or abuse of such drugs to the extent that job performance or fitness for duty may be adversely affected. The employee shall notify his or her supervisor when taking prescribed medication. Upon request, the employees shall furnish D.W. Evans Electric Inc., with physician's statement regarding the possible/probable side effects of the medication.

## 2) ILLEGAL DRUGS

Illegal drugs include those controlled substances under federal or state law which are not authorized for sale, possession, or use and legal drugs which are obtained or distributed illegally. The manufacture, possession, use, sale, purchase, or transfer of illegal drugs by an employee is prohibited. Arriving on D.W. Evans Electric Inc., property or job sites while under the influence of an illegal drug is prohibited.

## **B. TESTING OF EMPLOYEES--SELECTION PROCEDURES**

1. For Cause Testing. Current employees may be asked to submit to a test if cause exists to indicate that their health or ability to perform work may be impaired. Factors which could establish cause include, but are not limited to:

- a) Sudden changes in work performance;
- b) Repeated failure to follow instructions or operating procedures;
- c) Violation of D.W. Evans Electric Inc., safety policies;
- d) Involvement in an accident, or near accident;
- e) Discovery or presence of illegal or controlled substance in an employee's possession or near the employee's work place;
- f) Odor of alcohol and/or residual odor peculiar to some chemical or controlled substance;
- g) Unexplained and/or frequent absenteeism;
- h) Personality changes or disorientation; and
- i) Arrest or conviction for violation of a criminal drug statute.

If a D.W. Evans Electric Inc., official believes cause exists, or has a reasonable suspicion that an employee may be impaired or using substances, these findings and observations will be documented on the Substance Abuse Investigation form. Upon review and approval by the Designated Official the employee will be tested as authorized by the consent previously given by the employee when he or she signed the Chemical Screening Consent and Release Form.

2. Annual or Biennial Testing.

Drug testing will be performed on eligible employees as part of annually physical examination or Biennial physical examination where the examination are required by law, regulation or D.W. Evans Electric Inc., policy.

D2

3. Random Testing.

All employees whose work is classified as "sensitive" from a safety and health or security standpoint, either by D.W. Evans Electric Inc., officials, by the requirements to a federal

or state contract or by federal or state law, will be tested on a random basis. Drug testing of employees in' sensitive positions is mandatory and a condition of either future or continued employment.

Sensitive positions as determined by law usually include positions that involve National Security, health or Safety, transportation or functions that require a high degree of trust and confidence. All drivers for D.W. Evans Electric Inc., will be randomly tested pursuant to the Department of Transportation regulations. Employees in the positions described above, or any other sensitive positions, will be notified of their status and the requirement of drug testing.

4. Customer Substance Abuse Program Testing. All employees who have access to customer facilities who have contractor or vendor substance abuse programs will be requested to submit to drug testing in compliance with those customer programs. Whenever possible, the drug testing and certificates for customer substance abuse programs will be coordinated with the customer's drug testing provisions.

5. Post-Accident Testing.

All employees involved in reportable accidents will be drug tested for the use of controlled substances as soon as possible after the reportable accident, where the testing is required by law. Any employee who is seriously injured and cannot provide a specimen at the time of the accident shall provide the necessary authorization for obtaining hospital records and other documents that

would indicate whether there were any controlled substance in the employee's system.

6. Return to Service Post-Rehabilitation Testing.

Employees who return to service after an extended period of time away from employment with D.W. Evans Electric Inc., (usually six months or greater)will be required to submit to drug testing.

7. Other Testing Programs.

Employees may be required to submit to drug testing when required by federal or state law, regulation or by contractual obligation, not otherwise anticipated by the provisions of this policy. In the event that other drug testing is required, every effort will be made to coordinate new testing requirements with D.W. Evans Electric Inc., other drug testing provisions.

### **C. TESTING OF EMPLOYEES---TESTING AND POST-TEST PROCEDURES.**

1. All testing will be done by a lab chosen by D.W. Evans Electric Inc., whose procedures shall be strictly followed or the test will be considered a failure and the Employee shall be disciplined up to and including termination. D.W. Evans Electric Inc., will determine the controlled substance for which testing will be performed.

2. If an initial drug test is positive, a confirmation test will be performed on the same specimen using Gas Chromatography/Mass Spectrometry (GCIMS).

3. Once selected for a drug test under this policy, an employee will be required to sign a Chemical Screening Consent and Release Form. If the employee refuses to sign the Chemical Screening Consent and Release Form when knowingly able, he or she could be terminated, depending upon the circumstances.

4. All test results are to be kept confidential. The employee will be informed of the results by D.W. Evans Electric Inc., designated official. Employees with negative test results may return to work.

5. Alternatively, employees with a confirmed positive test result, may at their option and expense, have a second confirmation test made on the same specimen. An employee will not be allowed to submit another specimen for testing.

#### **D. SEARCHES**

1. At the request of D.W. Evans Electric Inc., (based upon suspicion or evidence of sale, possession, or use of controlled substance), an employee shall be required to:
  - a) submit to the search of their person and/or any personal article brought upon Company premises, Company work site, or while on Company business.
  - b) Submit to seizure of any controlled substance found in their possession. Suspected illegal substances will be turned over to appropriate law enforcement authorities. Employees will be required to furnish the Company with a physician's name and/or prescription for confirmation of the prescription of a legal substance found in the employee's possession.
  - c) Submission to a personal search or search of personal articles as used above shall include the search of any vehicle brought upon Company premises, work sites, or used on Company business. A personal search also includes a search of items within the employee's work area.
  - d) Failure to submit to a search will result in termination.

#### **E. DISCIPLINARY ACTION**

1. Any employee engaging in the use of alcohol while on the company property, company work site, or while on any company business, or who reports for duty under the effects of alcohol, is subject to disciplinary action, up to and including termination.
2. Any employee engaged in the use, possession, purchase, sale or transfer of any illegal drug while on company property, work sites, or while on company business will be removed from the work place, or disciplined up to and including termination.
3. If an employee covered under the Drug Free Work Place Act is convicted of violating a criminal drug statute in the work place, the employee must notify the company within five (5) days of the conviction. D.W. Evans Electric Inc., in turn, will notify the contracting agency of the employee's conviction for violation of a criminal drug statute in the work place within ten (10) days. Employees convicted of violating criminal drug statutes in the work place will be removed from the work place, disciplined up to and including termination.

## **FOR POSITIVE RESULTS OF ILLEGAL DRUGS**

1. Test results will be made known as soon as available.
2. If you question results, you have the option of a re-test that day at your own expense.
3. You are subject to termination from D.W. Evans Electric Inc. for illegal drug use.

**OR**

- A. You have the option of participating in a Drug Rehabilitation Program that D.W. Evans Electric Inc. approves of. The drug program must be started within two weeks.
- B. You must complete a Drug Rehabilitation Program in order to remain employed with D.W. Evans Electric Inc. Should you test positive again for drugs, you will be automatically terminated.