

Blumenthal Sheet Metal

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PERSONNEL POLICIES AND PROCEDURES

Contents

Company History

Welcome to All Employees

The Customer

Company Employee Objectives

Recruitment and Hiring Policies

- Compliance with the Immigration Reform Act

- Hiring procedures

- Physical Examination

- New Employee Orientation

- Employee Classifications

- Equal Employment and Affirmative Action Policy

- Employee Bonding

Company Rules and Regulations

- General Policies

Attendance and Leaves of Absence

- Attendance and Tardiness

- Acceptable Reasons for Absence

Personnel Records

- General Policies

Work Regulations

- Work Day

- Work Week

- Time Record Sheets

- Overtime

Wage and Salary Policy

- General Policies

- Paydays

- Merit Pay Increases

- Demotions

Holidays and Vacations

- Company Holidays
- Vacation
- Unpaid Personal Days
- Scheduling of Vacations

Group Insurance, Retirement Plan and Statutory Benefits

- Eligibility
- Group (Medical/Dental) Insurance
- Life Insurance
- Supplemental Life Insurance
- Social Security (FICA)
- Long-Term Disability Insurance (if applicable)
- Workers Compensation Insurance
- Unemployment Insurance

Evaluation and Promotion of Personnel

- Evaluation Policies and Procedures
- Promotions and Transfers

Problems

- Personal Problems
- Sexual Harassment
- Employee Concerns
- The Company's Levels of Disciplinary Action
- Specific Grounds for the Issuance of a Verbal Warning
- Specific Grounds for the Issuance of a Written Warning
- Specific Grounds for Immediate Suspension
- Specific Grounds for Immediate Dismissal

Separation from Employment

- General Policies
- Voluntary Termination
- Layoff
- Discharge
- Disability

Safety

- General Safe Practices
- Tools and Equipment
- Shop Machinery and Vehicles
- Injuries

Miscellaneous

- Confidentiality
- Personal Appearance
- Alcohol and Drug Usage and Testing
- Educational Assistance
- Company-Sponsored Memberships Tools and Equipment
- Personal Use of Company Tools and Equipment
- Use of Company Vehicles
- Employee Purchases
- Community Involvement
- Outside Employment (Moonlighting)
- Solicitation/Distribution of Literature
- Employee Suggestions
- Company Events

Company History

Blumenthal Sheet Metal Company was established in 1905 as a partnership between Joseph and Julius Blumenthal as Blumenthal Brothers Inc. As the Blumenthal family left the business, it was purchased by key employees of the company. In 1969 the current owner, Bill Lipscomb joined Blumenthal as part-owner. Bill became the sole shareholder of Blumenthal, Inc. in 1975. Blumenthal, Inc. still operates under the assumed name Blumenthal Sheet Metal Company.

Blumenthal Brothers, Inc. was originally located at 1706-1708 Congress Avenue, and moved to 1206 Chapman Street in August of 1948. In January 2001 Blumenthal moved to its current location with offices at 1710 Burnett Street and its fabricating facility at 1709 Burnett Street. W.C. Lipscomb owns these locations in addition to the Houston Foundry Art Space at 1712 Burnett Street and several tracts of land adjacent to the Blumenthal site.

Robert Niles, the Shop Foreman, has been with Blumenthal since 1988. Kenneth (Sonny) Rose, Estimator, has been in the industry almost thirty years, and with Blumenthal since 1986. Kevin Noack, Estimator, has been with the company since 1988. Paul Sumrall, Controller, has been with the company since 1993 and Jana Ebanks, Assistant Controller, has been with Blumenthal since 1994.

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Welcome to All Employees

The information contained in this manual has been gathered to help all of us work together in a spirit of cooperation, understanding, and mutual respect. The following policies and procedures outline the responsibilities of our relationships: company to employee, employee to company, employee to employee, and that most important relationship of all, our interaction with the customer.

On behalf of everyone at Blumenthal Sheet Metal Company, I would like to welcome you to the Company. Your suggestions for improvements in the organization or operation of our business are always welcome. If you have questions about anything discussed in this manual, please feel free to ask your supervisor for clarification.

We're glad you're here.

A handwritten signature in blue ink that reads "Bill Lipscomb". The signature is written in a cursive style and is enclosed within a faint, light-colored rectangular border.

Bill Lipscomb
President

The Customer

The customer is the single most important person in the business life of this company.

A customer never interrupts our work. The customer is the purpose of our work. We are not doing the customer a favor by serving him.

No one has ever won an argument with a customer.

A customer is a person who brings us a set of wants and needs. It is our job to respond to those needs and wants in a satisfactory and profitable way.

Company Employee objectives

Our company seeks to provide job satisfaction, recognition of achievement, opportunities for personal and professional advancement. Accordingly, company management will:

1. Demonstrate leadership deserving of our employees' confidence and loyalty
2. Pay fair wages in keeping with the requirements of the job and individual performance in that job
3. Promote on the primary basis of proven ability and initiative and, wherever possible, promote from within
4. Recognize length of service in promotions when qualifications are approximately equal
5. Encourage all employees to develop their capacities to maximum potential through the provision of all appropriate training opportunities
6. Advance the economic security of all employees by prudent administration of a balanced program of company paid employee benefits, either through the Sheet Metal Workers Union or Blumenthal Sheet Metal Administration.
7. Maintain facilities and working conditions conducive to employees' health, safety and convenience
8. Cultivate free and open channels of communication, informing employees of developments in the company's business which affect them and seeking their opinions on matters of concern to them
9. Guarantee recourse to higher levels of management in the event that an employee does not feel a complaint has been handled equitably by an immediate supervisor
10. Provide equal employment opportunities without regard to race, color, religion, gender, sexual orientation, national origin, age, or any other categories which might be protected by law.

When an employee believes that these general principles have not been fulfilled in an individual case, he or she should feel free to use the process which is outlined in this document starting on page 23.

In return, the company expects all employees to demonstrate genuine interest in the proper performance of their responsibilities and to deliver every day a good day's work.

Recruitment and Hiring Policies

The company will make every effort to inform all employees, the Union and the community at large about vacant positions. To this end, it will follow the following policies:

1. The company will accept personal referrals
2. Employment or placement agencies will be used only as needed
3. Positions not included in the basic union contract will be posted for employee review, prior to interviewing applicants, to allow employees to express interest in those jobs.

Hiring Procedures

The company requires the completion of a written application from all potential employees. Upon hiring, this document will become part of the employee's record file.

When a job position becomes open, applicants will be interviewed prior to the final selection.

The company reserves the right to verify the applicant's record with respect to criminal convictions and driving violations, when such matters are relevant to the applicant's suitability for a particular position.

Physical Examination

Individuals seeking employment for certain positions may be required to take a physical examination once they have been made a conditional offer of employment. The examination will be conducted by a physician selected by the employer. The employer will bear the cost of such physical examination.

Records pertinent to these medical examinations and to any other investigations related to prospective employment are private and confidential. Access to these documents will be strictly controlled and their contents will be divulged to no one lacking a legal or operational right to know.

New Employee Orientation

The new employee orientation process is divided into two parts: 1) personnel policies and benefits, and 2) general instructions and an introduction to co-workers and job responsibilities.

Personnel policies and benefits will be explained in detail on the first day of employment by the supervisor. This explanation should include:

1. Compensation matters: Rate of pay, paydays, withholding and deductions, overtime pay procedures (if applicable), days of continuous employment necessary to have fringe benefit coverage (if applicable)
2. Insurance programs: medical and life (if applicable)
3. Holidays, vacation, and other leave policies (if applicable)

4. Completion of forms such as job applications (if not previously completed), withholding statement, etc.
5. Company Personnel Policies and Procedures Manual, Drug and Alcohol Policy, and Safety Handbook
6. New Employee Safety Orientation Film

The individual's immediate supervisor is then responsible for:

1. Introducing the new employee to co-workers
2. Identifying the facilities such as lavatory, lunch/break area, and parking
3. Explaining the normal working schedule
4. Explaining the procedures for breaks, lunch, and washup periods
5. Discussing job requirements, responsibilities and procedures
6. Arranging for any special training that is required
7. Helping the employee with any procedures that seem to be creating difficulty
8. Ensuring that the employee has read and understands the company's rules and regulations

A standard form will be signed by the new employee and submitted to the personnel office indicating that the employee has completed the orientation program. This release will remain part of each employee's personnel file.

Employee Classifications

Full-time

An employee who has satisfactorily completed the probationary period and who works for a minimum of forty (40) hours per week is considered a full-time employee. Such an employee is entitled to all the benefits offered through the union contract, or by the company, if not a part to a collective bargaining agreement.

Part-time

An employee who has satisfactorily completed the probationary period but whose normal work week is less than forty (40) hours per week is considered a part-time employee. Such employees receive all benefits offered through their union contract, or no company benefits if not a party to a collective bargaining agreement.

Temporary

An employee who is hired for a specific purpose or a predetermined period of time is considered a temporary employee. Such employees receive all benefits offered through their union contract, or no company benefits if not a party to a collective bargaining agreement.

Equal Employment and Affirmative Action Policy

The company will observe all applicable federal, state, and local laws regarding equal opportunity and affirmative action in employment.

Employee Bonding

The company reserves the right to require bonding of all employees who occupy positions that require the handling of company funds or other valuables. The company will pay for such bonding.

Employees who apply for positions requiring bonding must be eligible for standard coverage by an independent bonding company.

Company Rules and Regulations

General Policies

It is expected that the overwhelming majority of employees will conduct themselves in such a manner that will contribute to the growth of the company and the well-being of every employee.

A few specific rules and regulations ensure that everyone understands in precise terms the obligations of professional conduct. The following regulations have their roots in common sense, the demands of safety, good morale, and the general needs of the company in meeting its responsibilities to customers. This Personnel Policies and Procedures manual is in no way offered as employment contract. Blumenthal Sheet Metal offers no written or implied contracts for employment. While this manual is intended to provide an understanding to employees of the general terms of employment and disciplinary actions of management, those general policies are in no way intended to void the right of management to terminate employment at will, as allowed in the State of Texas.

Attendance and Leaves of Absence

Attendance and Tardiness

Persons accepting a position with the company assume an obligation to report for work on time as specified by management. It is important that attendance be punctual and regular, especially while at a customer worksite. Absenteeism and tardiness will be closely monitored. Either may become cause for disciplinary action in accordance with the policies described elsewhere in this manual. It should be understood that the following are only guidelines concerning attendance. They do not cover all circumstances in which discipline may be imposed for absenteeism or tardiness. The company reserves the right to determine the appropriate level of discipline, including discharge, in cases of absenteeism or tardiness.

Failure to inform the supervisor of either absenteeism or tardiness will result in disciplinary action, up to and including discharge. Blumenthal Sheet Metal Company has a voice mail system that is active 24 Hours a day. This system logs the date and time of all calls, and is available to employees to leave emergency messages to management through the company's main telephone line 713-228-6432.

When employees need to be absent, they should notify both their supervisor and the personnel office as soon as possible. In case of illness, employees should notify the supervisor as soon as possible. If, for any reason, an employee is unable at the last moment to report to work, the supervisor must be notified within thirty (30) minutes of the designated starting time. Failure to inform the supervisor of either absenteeism or tardiness will result in disciplinary action, up to and including discharge.

Acceptable Reasons for Absence

After obtaining prior authorization from management, employees may be absent for:

1. The use of a paid time-off day, (if applicable)
2. A leave of absence without pay
3. An off-the-job injury
4. Jury duty
5. Military service
6. The death of a relative, including an appropriate time of bereavement surrounding the funeral,
7. Voting time

Military Service

For active duty, the company will allow time off without pay but with re-employment rights in accordance with federal regulations. For reserve and National Guard duty, the employee may either take time off without pay or may voluntarily elect to use earned vacation during these training or call-up periods.

The conditions of all military leaves of absence, and all employee reinstatement rights following military service, shall be according to applicable law.

Maternity/Paternity Leave

The company adheres to the requirements of the Federal anti-discrimination law pertaining to pregnancy which shall be explained, in detail, to all female employees before their maternity leave.

Male employees who wish to be absent from work during and immediately following the birth of a child may use their paid time-off days or may request a temporary leave of absence without pay.

Funeral/Bereavement Leave

The employee should complete a leave-request form citing all appropriate details including the number of days of anticipated absence. Management understands that it is often hard to notify in writing prior to such an occurrence. Employees are still required to notify the company when work is to be missed.

Voting Time

Employees should coordinate their voting plans with their supervisor. The company will comply with applicable laws governing voting times.

Personnel Records

General Policies

Personnel records regarding individual employees will be kept in files to which only authorized persons will have access.

Employees' names, addresses, home telephone numbers, salary, etc. are confidential. They will not be revealed without the expressed consent of the employee and an officer of the company.

Employees are responsible for immediately notifying the company of any change in their status, such as address, telephone number, number of dependents, marital status, and so forth. The company will not be responsible for any legal or financial problems resulting from the employee's failure to notify the company of any changes.

Work Regulations

Work Day

Each full-time employee's work week shall consist of forty (40) hours, unless additional hours are necessary to complete a specific assignment or if there is not sufficient work to maintain a forty (40) hour work week. In all cases of overtime work, notification will be given to the employee by management.

The normal workday is eight (8) hours between 7:00 AM and 3:30 PM with thirty minutes off for lunch.

Work Week

The work week consists of seven consecutive days, from 12.01 a.m. on Thursday to midnight the following Wednesday.

Time Record Sheets

Completed time record sheets are to be turned in every day. These cards should include time worked on each job and the location of the work if away from the primary plant. For insurance reasons, all time worked away from the primary plant should be circled. Meal time, mileage reimbursement, and pay premiums must be included on the daily time sheets.

All time records must be submitted on time with a detailed explanation of all overtime or unusual circumstances.

Overtime

In accordance with federal requirements, the company pays overtime at the rate of time and one half for all hours (in excess of forty (40) hours) to non-exempt and non-union employees. Union employees receive overtime pay as directed by the collective bargaining agreement.

Wage and Salary Policy

General Policies

Wages and salaries are an integral part of the company's strategy for attracting and retaining skilled and motivated people. Wages and salaries are based on the needs of the company, the availability of qualified personnel in the local labor market, and prevailing wage and salary structures among competitors.

Adjustment to the wage and salary rates are made whenever dictated by labor market conditions, increases in the cost of living, or other factors deemed appropriate by management, and are usually reviewed annually at April 1st.

Paydays

Pay periods run from Thursday to Wednesday. All employees will be paid by check on Fridays. Payments will be based on the actual time worked. Paychecks will be delivered by the company. A person other than the employee will be permitted to pick up a check with permission from the employee.

Merit Pay Increases

All hourly and salary increases are based on merit determined in the employee's job performance appraisal. Merit pay increases apply to employees who are not party to a collective bargaining agreement and to management of the company. Members of the Union receive pay increases in accordance with the collective bargaining agreement.

Employees are eligible for a performance review at the end of ninety (90) day of continuous employment and/or every April 1st.

Holidays and Vacations

Company Holidays

The company observes the following holidays each year for eligible non-contract full-time employees:

New Year's Day: January 1st

Memorial Day: Fourth Monday in May

Independence Day: July 4th

Labor Day: First Monday in September

Thanksgiving Day: Fourth Thursday in November

Day after Thanksgiving

Christmas Eve Day: December 24th.

Christmas Day: December 25th.

All employees who receive holiday pay (Clerical, Management, Non-Union) must work their regularly scheduled hours prior to and after the holiday to be paid for that day. For example, if the holiday falls on a Friday, the employee must work the previous Thursday and the following Monday to be paid for the holiday on Friday, unless arranged in conjunction with a leave of absence or paid vacation.

Holidays falling on a weekend will be scheduled by the company to be observed on either the Friday preceding the holiday or the Monday following.

Part-time and temporary employees are not eligible for paid holidays.

Vacation

All full-time non-union, clerical, or management employees will be eligible for paid time-off days according to the following schedule of required length of continuous service to qualify for paid vacation days:

Employees who have been with the company for:

One (1) full year of continuous service: 5 days.

Five (5) full years of continuous service: 10 days.

Ten (10) full years of continuous service: 15 days.

Paid vacation days can be taken at the employee's discretion subject to advance notification of the employee's supervisor or manager (and approval and scheduling in the case of vacations) and notification of the payroll/personnel department.

In the case of illness, the employee's supervisor or manager and the payroll/personnel department must be notified. Employees will not be paid for days that have not been pre-approved or where they have failed to provide proper notification on the day of the illness.

All unused paid vacation days will be forfeited at the end of the year, unless the scope of work prevented the employee from taking paid vacation days off.

Unpaid Personal Days

With prior approval, employees may take time off without pay, rather than using their paid time off days.

Scheduling of Vacations

To ensure that the company has the necessary personnel available at all times, vacations will be coordinated by the appropriate Manager, taking into consideration the needs of the company as a whole, the needs of the department, and the wishes of individual employees.

Group Insurance, Retirement Plan and Statutory Benefits

Eligibility

All full-time non-union, clerical, and management employees are eligible for group (medical/dental) insurance and life insurance. Part-time, union and temporary employees are not eligible for insurance protection, although they are covered by the Worker's Compensation.

An individual's eligibility for coverage, and benefits under any insurance plan, shall be determined by the provisions of the applicable insurance policy. In the event that such policy conflicts with the provisions of this manual, the terms of the insurance policy shall govern. The company reserves the right to amend, modify, or terminate any insurance benefits at any time, in the sole discretion of the company.

Group (Medical/Dental) Insurance

Full-time employees are eligible for the following group medical/dental insurance benefits: (list coverage)

Coverage for the employee is paid for and administered by the company;

Coverage for the employee's dependents is optional

(If an employee elects to take such coverage, one hundred percent (100%) of the cost of insuring a spouse and any unmarried dependent children under the age of eighteen (18) will be carried by the employee;

Employees whose employment has been terminated will be eligible to continue health insurance coverage at their own expense, as provided for under applicable law.

Copies of the group (medical/dental) plan are available on request from the company.

Note: The rapidly escalating costs of the company's group medical and dental insurance coverage mandate that the program remain under continual review. Coverage may be changed without notice.

Life Insurance

Group life insurance in the amount of \$10,000 is provided for full-time Clerical, Management, and non-union employees through the basic health insurance program.

Social Security (FICA)

Social Security was initially established to provide a degree of financial security for workers in their retirement years. Over the years, benefits under this federal program have been expanded to include such areas as disability, death and survivor benefits, and medical care for older persons. The program is funded through a special payroll tax levied against the employer and employee on a matching basis. From time to time, the government increases this levy. The company will observe the federal regulations concerning social security (FICA) deductions and remittance of levies.

Workers Compensation Insurance

The company carries worker's compensation insurance, for all employees (i.e. full-time, part-time and temporary), which provides for payment of medical expenses and weekly compensation for disability for injuries that occur on the job. While this insurance is available to protect employees, our experience modifier effects the company's ability to remain at certain work places. All claims are investigated for validity.

Unemployment Insurance

The state and federal governments collect funds from employers to pay unemployment compensation. Full-time, part-time and temporary personnel are covered by this employment plan so that, in the event of a layoff, the employer's money is returned by the state in weekly payments to the worker as unemployment compensation. The cost of this coverage is borne by the company.

Evaluation and Promotion of Personnel

Evaluation Policies and Procedures

All personnel shall be evaluated annually at April 1st. If, for whatever reasons, a formal evaluation has not occurred for eighteen months, an employee may request that such an evaluation be conducted within thirty (30) days.

All reported evaluations will be used primarily to identify levels of performance, to acknowledge the merit of above standard performance, and to locate methods of correcting deficiencies to a required level of performance. Taken together, these reports help the company measure the efficiency and effectiveness of our operations. With regard to individuals, the reports assist the company in decision-making about training, compensation, promotion, job assignments, retention, and long-range operational planning. The evaluation process is participatory; e.g., the company values the employee's input in the same way that we do the rating supervisor's. Every employee is encouraged to comment about work performance, either in writing or in a meeting with the appropriate supervisor, and to discuss working conditions or offer suggestions for the improvement of operations.

Formal performance reviews will likely include an assessment of the quality and quantity of the employee's work in addition to the employee's work habits, interpersonal relations, and adaptability to job conditions. The employee will meet with the evaluating supervisor to discuss the evaluation openly and honestly. After the evaluation is finalized, the employee will receive a copy of the completed form.

Should there appear in the performance of an employee a marked change that is not disciplinary in nature, an unscheduled performance evaluation may be held. The intent of such an evaluation is to bring the employee's attention to a decline in performance and then to identify ways and means of correcting that decline.

Promotions and Transfers

The company's usual policy is to promote qualified current employees into positions of higher responsibility and to hire new employees for entry-level assignments. The company reserves the right, however, to hire new employees with special qualifications or job skills for any position or at any starting wage.

Employees may apply to transfer from one position to another when openings occur. Such requests will be honored when the employee is qualified for the new position and the transfer is deemed to be in the best interests of both the employee and the company.

The company understands that the responsibilities of a higher-level position, while attractive at the outset, may prove eventually unsuitable to a promoted employee or to the company as determined by results of performance. In the event the employee does not perform suitably, the employee may, with the approval of the Company, return to the former position, if available.

Problems

Personal Problems

It is not the practice of the company, its managers or supervisors to become involved in the personal lives of employees. Such involvement, however, can hardly be avoided when the matter directly affects the employee's job performance, the company, or its customers.

While the company does not seek to interfere in the personal lives of employees, managers and supervisors will extend concern, and all available help to any employee who requests assistance with a personal problem.

Sexual Harassment

The company will not tolerate sexual harassment in the work place.

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

- submission to such conduct is made a condition of employment;
- submission to or rejection of the conduct is used as the basis for an employment decision affecting the harassed employee, or;
- the harassment substantially interferes with the employee's work performance, or creates an intimidating, hostile, or offensive working environment.

Employees who have complaints of sexual harassment should immediately report such incidents to their supervisor, or, if they prefer, to the company's Controller. The nature of the complaint shall be in writing and signed by the employee. The company will investigate and make a final determination regarding the appropriate disposition of the complaint.

Employees shall not be subject to any form of retaliation for making good faith complaints regarding sexual harassment. However, employees who willfully make false claims regarding complaints of sexual harassment will be subject to disciplinary action, up to and including discharge.

Employees committing acts of sexual harassment are subject to disciplinary action, up to and including discharge.

Employee Concerns

Wherever possible, an employee's concern should be handled directly by the immediate supervisor. Employees who feel that they have a legitimate complaint that cannot be resolved through informal discussions with the supervisor may seek recourse through the following:

Step 1)

The employee will discuss the matter with the immediate supervisor in an attempt to agree on a satisfactory settlement.

Step 2)

If a satisfactory settlement is not reached in Step 1 within three (3) working days after the initial discussion, the employee may put the grievance in writing for submission to the President within seven (7) days after receiving the supervisor's response in Step 1.

The supervisor must submit a written report, detailing clearly the grievance or complaint, the position of the company, and the unresolved issues. The President will review the case. The President's decision will be final and binding on those involved.

Note the following special guidelines:

Any complaint or grievance must be filed with the employee's supervisor within ten (10) days of its origin.

Action at each step shall be taken as rapidly as possible and no later than the prescribed time limits. The time limit at any step may be extended by mutual agreement of the employee and management.

Failure of the employee to submit a written appeal to the next higher step in the process within the prescribed time period will lead to the automatic assumption that the solution prescribed in the previous step was acceptable.

If the company determines to conduct a hearing on the employee's concerns, the hearing shall be conducted at such time as determined by the company. Hearings conducted during normal working hours are considered compensable time worked except in cases where the employee has been placed on suspension or terminated.

When agreed-upon times for hearings occur outside regular working hours, the employee is not eligible for compensation for the hearing time.

An employee may seek and receive assistance from other employees at any step in the process. Information or testimony gathered at the hearings must be treated discreetly and confidentially by all parties involved.

The Company's Levels of Disciplinary Action

The company has adopted the following rules and guidelines for disciplinary action. However, the following are only some examples of the types of conduct that may result in disciplinary action. The company reserves the right to impose disciplinary action, up to and including discharge, for other forms of misconduct that are not set forth in this section.

It should also be understood that these four levels of disciplinary action are only a guide. The company reserves the right to impose that level of discipline, including discharge, that it believes is appropriate based upon the particular facts. The company may skip steps in this disciplinary guide and immediately discharge the employee, if it believes that it is appropriate to do so.

Level	I	Verbal warning
Level	II	Written warning
Level	III	Suspension
Level	IV	Termination

Specific Grounds for the Issuance of a Verbal Warning The following will generally lead to the issuance of a verbal warning to the employees:

1. Being absent from work (without informing the supervisor)
2. Tardiness
3. Sleeping during working hours
4. Bringing alcoholic beverages on to company property at any time (without the prior and specific authorization of management)
5. Damage to company property through indifference, neglect or carelessness
6. Failure to report an accident occurring on the job to the immediate supervisor
7. Failure to dress in a manner consistent with the professional requirements of the position
8. Creating dissatisfaction among fellow employees
9. Failure to adhere to allotted time for lunch and breaks
10. Performing personal work during regular working hours without permission
11. Employees are prohibited from engaging in solicitation during working time.
Employees are prohibited from distributing literature during working time, or in working areas of the company's property;
12. Removing company property without authorization.

Specific Grounds for the Issuance of a Written Warning:

The following will generally lead to the issuance of a written warning to the employee:

1. A second occurrence of any of the above violations initially warranting a verbal warning.

The following actions will result in the immediate issuance of a written warning to the employee and will become part of the employee's permanent record:

1. Drinking of alcoholic beverages on company property at any time without the prior and specific authorization of management
2. Gross discourtesy to a fellow employee
3. Use of offensive profanity in the presence of a client or fellow employee
4. Bringing weapons on to company property
5. Gambling on company property or during working hours
6. Flagrant and willful violation of company policy

Specific Grounds for Suspension

The following will generally lead to the imposition of a disciplinary suspension upon the employee:

1. A third occurrence of any violation initially warranting a verbal warning or a second occurrence of any violation initially warranting a written warning.

The following actions shall be sufficient grounds for the suspension of the employee:

1. Reporting to work under the influence of alcohol, narcotics or non-medically-required drugs
2. An act of dishonesty, or failure to report an act of dishonesty, directed toward the company or its customers
3. Fighting on company premises
4. Deliberate destruction or damage to company property
5. Gross discourtesy to a client, or customer

Suspension shall be for a period of not less than two (2) days and not more than five (5) days, depending upon the nature of the infraction.

Specific Grounds for Dismissal

The following actions will normally be grounds for dismissal from employment:

A fourth occurrence of any violation initially warranting a verbal warning, a third occurrence of any violation initially warranting a written warning, and a second occurrence of any violation initially warranting an immediate suspension.

The following actions shall be sufficient grounds for dismissal that is, the individual may be dismissed with no prior warnings or suspensions:

1. Possessing or using narcotics or non- medically required drugs or alcohol at any time while on the job or on company property;
2. Theft of any kind (Theft is a violation of the law and the company will cooperate with the proper law enforcement officials in its active prosecution.);
3. Performance of any sexual act or activity on company property;
4. Intentionally falsifying time record sheets or other official company records;
5. Intentionally giving false or misleading information to obtain employment with the company;
6. Gross insubordination.

Separation from Employment

General Policies

The company recognizes that, from time to time, employees will voluntarily leave the company. In such cases, the employee should notify immediate supervisor two weeks before the intended date of separation if possible. If the reason for leaving involves job dissatisfaction, employees are urged to discuss their decision with the supervisor to attempt a resolution of the problem.

Voluntary Termination

Employees voluntarily leaving the company are entitled to pay for work performed through the last hour worked and pay for paid vacation days (if applicable) for the current calendar year, provided they give two (2) weeks notice of intent to terminate. Pay will be issued on the next regularly scheduled pay day. Terminal pay will be reduced by any of the following that apply:

1. Required legal deductions;
2. Authorized payroll deductions (such as pension plan, credit union, payroll savings, etc.);
3. Any medical or life insurance premiums due that payroll period.
4. Vacation benefit will be forfeited if less than two weeks notice is given.

Layoff

Whenever a layoff of personnel becomes necessary, affected employees will be notified as far in advance as possible.

Employees will be protected from layoff on the basis of their abilities and qualifications, and the personnel needs of the company. Laid-off employees will be entitled to the same terminal benefits as employees who resign in good standing. Pay will be given to the employee on the last day of work.

Discharge

Employees may be terminated from employment for misconduct or other reasons. Employees who are terminated will be paid for work performed up to the time of the termination. Pay will be issued on the last day of work.

Disability

Treatment of disabled employees is covered under the Americans With Disabilities Act and state law.

Safety

Blumenthal Sheet Metal Company has a separate Safety Handbook, but the following comments apply as well.

The company places the highest emphasis on employees' safety and strives to ensure that working areas are safe and healthful. Each employee's responsibility is to work safely and to do everything possible to prevent accidents or injuries. Every employee is expected to report unsafe conditions, to think before acting, and to conscientiously avoid unnecessary risks.

Supervisory personnel will familiarize employees with the hazards of all assigned jobs, will instruct employees in the safe performance of all jobs, and will enforce the rules of safety among employees under their supervision.

The company complies with all provisions of the Occupational Safety and Health Act (OSHA).

Generally accepted practices for accident prevention on construction job sites include the following:

Generally Safe Practices

Employees should pay strict attention to their work;

Observe all warning signs and signals posted to designate dangerous conditions;

Do not take shortcuts through or over dangerous places;

Do not jump from truck beds, platforms, fences, or other elevated places unless absolutely necessary to the performance of duty;

Do not run unless it is absolutely necessary to the performance of duty

Wear hard hats in dangerous job site conditions;

Wear safety glasses, safety shoes, eye protection, a respirator, and other protective equipment as directed by a supervisor or whenever the job at hand calls for such protection;

Take precautions before beginning any work;

Stack and remove material in a slow, deliberate manner;

Lift correctly knees bent, back erect; Seek help for heavy loads;
Alert co-workers to any forthcoming action that might affect them;

Practice good housekeeping, insuring that work areas and walkways are clean and free of stumbling or slipping hazards;

Watch for protrusions nails or other obstructions capable of causing injury;

Issue a warning before raising or lowering material on a crane or lift;
Never ride loads carried by a crane nor stand under such loads;
No scuffling or horse-play on the job;
When entering a tank, bin, silo, or other confined space, use special safety precautions including lifebelts;

Tools And Equipment

No employee will be assigned to work under unsafe conditions or with unsafe tools;

Keep guards and protective devices in place at all times;

When necessary to shut down equipment for repair or maintenance, pull and tag out the main electrical switch;

Use tools only for their intended purposes; Never use broken or dangerously dull tools; Store all tools to prevent damage;

Hand tools must be kept well dressed to prevent injury from flying particles;

Insure that ladders are in good condition and firmly placed;

Report any damage to scaffolds or other supporting structures to a supervisor.

Never use compressed air for other than prescribed applications;

Never direct compressed air at yourself or another;

Insure that all electrical devices and power tools are properly grounded;

All grinders must be securely fastened with guards adjusted to within an eight of an inch of the grinding wheel;

Keep oxygen and gas cylinders secured in an upright position with caps in place on tanks not in use;

Shop Machinery And Vehicles

Never attempt to operate machinery without thorough knowledge of the equipment and permission from a supervisor to do so;

Never wear loose clothing or jewelry while operating or working near equipment or machines;

Never start any machinery without a prior determination of its safety;

Never adjust machinery in operation;

Never lubricate moving parts except on equipment specifically fitted with safeguards for this purpose;

Never allow anyone to hang from moving equipment; Shut off all gasoline motors before refueling;

Do not disconnect air hoses or compressors until the hose has been bled.

Wear seat belts whenever operating or riding in a vehicle.

Injuries

The company recognizes that, in spite of safety rules and thoughtful working procedures, injuries on the job can occur.

Employees who sustain on-the-job injuries are required to seek prompt medical attention and must immediately report all injuries, including seemingly minor ones, to their immediate supervisor and to the Manager of Personnel within twenty-four (24) hours. The report must include the location and circumstances of the accident, the nature of the injury, and any anticipated time lost from work because of the injury.

The employee should make certain that the appropriate form for filing for worker's compensation insurance is submitted to the (Personnel Manager).

Furthermore, OSHA requires that a Form 200 be completed whenever an injury results in the loss of work time and/or medical treatment. The employee should make sure that this form is completed by the immediate supervisor and submitted to the Manager of Personnel for recording.

Miscellaneous

Confidentiality

Information regarding the company's customers and suppliers must be kept confidential.

All records of the company's business including correspondence, policies and procedures, computer input and output must remain on company property or in a secure location on the job site.

All computer programs and disks are company property; they may not be copied or duplicated in any way, nor may they be removed from company offices.

Personal Appearance

All employees are expected to wear clothing and observe personal hygiene habits appropriate to their position and the nature of the work performed. These standards are especially important for those employees in direct contact with customers and other members of the business community. It is important that employees project a positive and appropriate image for the company.

Any employee who appears for work in a manner unacceptable to company standards may be required to return home to correct the situation. The period of absence will be treated as unpaid leave.

All questions about personal appearance should be directed to a supervisor.

Alcohol and Drug Usage and Testing

Blumenthal Sheet Metal Company has an adopted drug and alcohol policy that is considered part of this employee manual. In addition to that policy, the following statements apply;

As indicated in the company's rules and regulations, the possession and/or use of any form of alcohol, drugs or other controlled substances by employees at a job site, on company property, or in company vehicles is strictly forbidden. Employees found guilty of any infraction of this rule will be subject to immediate dismissal.

Furthermore, management reserves the right to seek drug testing of its employees in those situations where it believes usage may impair the employee's ability to perform in a safe and effective manner.

The company complies with the requirements of the appropriate drug-free workplace laws.

Employees with questions should consult their supervisor.

Employees should comply with federal, state, and local laws before including any provisions on drug testing.

Educational Assistance

All employees are urged to consider obtaining additional formal education through enrollment in technical schools, colleges, universities or professional programs providing courses relevant to the employee's present job or potential promotional opportunities.

The company will reimburse such employees in full for any job-related training required by the company (following approval by the employee's supervisor and on satisfactory completion of the program, primarily non-union employees)

Company-Sponsored Memberships

The company will sponsor employee membership in trade related associations.

Company sponsorship will include dues, costs of attending local meetings, and other reasonable expenses. Conventions and out-of-town meetings are not usually covered under this policy, but will be considered on an individual basis according to their value to the company. Employees seeking paid attendance at conventions and out-of-town meetings must make their requests in writing, specifying the following:

- Purpose of the convention or meeting,
- Education or information to be realized from attendance at the meeting or convention,
- Benefits to the company arising from the attendance,

Approximate expense,

Number of days away from work.

The company's policy of sponsorship is not a condition of employment. It is a fringe benefit to be used for the mutual benefit of the individual employee and the company. All sponsorships require the approval of management.

Tools and Equipment

Tools and equipment owned or leased by the company are to be used for company work only. Except under the conditions specified below, they are not to be taken for personal use nor for loan to another company or person. The company's tools and equipment are central to employees' ability to perform their jobs. Accordingly, tools and equipment deserve proper maintenance and careful use.

All tools not assigned to a specific employee or to a specific job or job site will be stored in the warehouse. From there, they will be assigned to a specific shop or field job as required.

A sign-out sheet will be maintained at the warehouse. It is the responsibility of the person taking the tool or piece of equipment to sign the sheet, indicating the destination and anticipated date of return. Each week employees must turn in a complete list of all equipment checked out to them.

The shop foreman is responsible for the maintenance, repair, and proper distribution of all tools and equipment. It's therefore important that they be returned promptly to the warehouse after use.

Personal Use of Company Tools and Equipment

The company will permit employees to borrow equipment and tools for use in personal projects. All such usage must conform to the following procedures:

- The supervisor or manager of the department involved will determine if the item involved is able to be loaned out and if the borrower is qualified to use it.
- All equipment and tools borrowed will be verified in writing by the supervisor. The written record shall be retained and presented to the borrower when the item is returned.
- All borrowed items must be used expressly by the employee requesting them. Equipment must not be loaned to friends or relatives.
- The rate charged for the use of any tool or piece of equipment shall be established in advance.
- As a condition of being permitted to use the equipment for personal use, the employee agrees to bear full responsibility for any loss or damage to the equipment and any personal injury.

Use of Company Vehicles

Employees allowed use of company vehicles must have acceptable driving records and must be fully insurable.

- Travel at the beginning of the work day directly from the employee's residence to job site or company facilities (if directed by management);
- Travel during working hours, as reported on the employee's time record sheet, to assigned jobs for that day;
- Travel directly from company facilities or job site to the employee's residence at the end of the work day (if directed by management)
- Emergency service duly authorized relevant to company needs.

The regulations of the Internal Revenue Service regarding the use of business vehicles have been known to change. At the moment, however, the regulations make clear that any personal use (including commuting) of company vehicles must be recorded on a regular basis. The amount of personal use must be reported as income and included on the year-end W-2 form. The company will not withhold taxes on this use income; all taxes due will be the responsibility of the employee. The company assumes no responsibility for the proper advisement of employees. All questions regarding the tax consequences of the personal use of business vehicles should be directed to the employee's tax preparer or accountant.

It is the company's interpretation of current regulations, however that any company-owned or company-leased vehicle bearing ladder racks, tool boxes, and company logos or signage a type of vehicle not normally associated with personal use is excluded from these regulations. Further, the company contends that no further documentation is required. All unmarked trucks, sales vehicles, and other vehicles suitable for widespread personal use remain subject to the IRS regulations for personal use.

All employees using company-owned or company-leased vehicles will keep all necessary records pertinent to the vehicles' use. Further, since vehicles are part of the company's image, they should be kept clean and presentable at all times.

If an employee is involved in an accident while driving a company-owned or company-leased vehicle, the following procedures apply:

1. Call proper authorities (police, sheriff, or highway patrol);
2. Exchange name, company phone number and address, license numbers of vehicles, driver's license numbers, and names of insurance companies with all persons involved in the accident;
3. Notify the office immediately arrangements for moving the vehicle will be handled by the office, including the completion of an accident report. See accident package in each company vehicle.

Employee Purchases

Employees may purchase from stock or have ordered any materials the company normally carries. When the materials are purchased for the personal use of the employee, the selling price will be the actual cost plus freight and fifteen percent (15%) handling charge and sales tax. All purchases must be approved by management.

Payment for all purchases must occur within thirty days, or payroll deductions will begin to clear the account. Upon termination of an employee, any balance owed on purchases from the company will be deducted from the final paycheck.

Outside Employment (Moonlighting)

The company recognizes that occasional circumstances may require the employee to work on a part-time basis outside the company. As long as such activities do not interfere with the proper performance of the employee's regular duties, the company does not object to such practices.

Employees are prohibited, however, from working for any of the company's competitors or for any current customers.

Employees planning to engage in outside work are requested to discuss the matter with their supervisor.

Solicitation/Distribution of Literature

Employees are allowed to solicit information at the workplace before work or during breaks. Employees are prohibited from distributing literature of any sort during working time, or in working areas. Employees may not post materials on company bulletin boards without prior approval of management.

Employee Suggestions

The company welcomes communications from the employees, especially those resulting in cost savings, higher efficiency, and enhanced productivity. Employees whose ideas are implemented may expect bonuses relevant to the value of the suggestion.

This handbook is provided for informational purposes only, and it is not intended to create an employment contract or any express or implied covenant of good faith and fair dealing, and the existence of such a covenant is disclaimed. Unless the employee is covered by a collective bargaining agreement containing a contrary provision, the company and its employees have an employment relationship which is known as ‘employment at will’. This means that you are not required to work for the company for any set period of time, and that the company is not required to employ you for any set period of time. This handbook does not limit or modify the employment at will relationship. The policies and procedures described herein are implemented at the discretion of the company, and may be changed from time to time. Any changes will be in writing and will be posted on the bulletin board until such time as they can be permanently incorporated into the handbook. No officer, employee, or agent of the company is authorized to waive, modify, or add to any of the provisions in this handbook except in a written document signed by the president of the company. Any decisions by the company as to the interpretation or application of these policies and procedures will be final and binding on all employees concerned. The policies and procedures, and such prior policies and procedures are hereby revoked. In the event of any conflict between the provisions of this manual and a collective bargaining agreement, the collective bargaining agreement shall prevail.

I have read the manual of company policies and procedures, and I understand its contents. I agree to comply with the rules and regulations specified therein.

(Signature / Date)
