

MBD Company, LLC

Employee Handbook

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Introduction

Welcome new employee!

On behalf of your colleagues, I welcome you to MBD Company and wish you every success here.

We believe that each employee contributes directly to MBD Company's growth and success, and we hope you will take pride in being a member of our team.

This handbook was developed to describe some of the expectations of our employees and to outline the policies, programs, and benefits available to eligible employees. Employees should familiarize themselves with the contents of the employee handbook as soon as possible, for it will answer many questions about employment with MBD Company.

We hope that your experience here will be challenging, enjoyable, and rewarding. Again, welcome!

Introductory Statement

This handbook is designed to acquaint you with MBD Company (MBD) 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 MBD Company 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 MBD Company continues to grow, the need may arise and MBD Company 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 MBD Company 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.

Employment

Nature of Employment

Employment with MBD is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, MBD 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 MBD 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 MBD's sole discretion.

These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the chief executive officer of MBD.

Employee Relations

MBD believes that the work conditions, wages, and benefits it offers to its employees are competitive with those offered by other employers in this area and in this industry. If employees have concerns about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisors.

Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that MBD amply demonstrates its commitment to employees by responding effectively to employee concerns.

Equal Employment Opportunity

MBD provides equal employment opportunities to all employees and applicants for employment without regard to race, color, religion, sex, national origin, age, disability, or status as a Vietnam-era or special disabled veteran in accordance with applicable federal laws. In addition, MBD complies with applicable state and local laws governing nondiscrimination in employment in every location in which MBD has facilities. This policy applies to all terms and conditions of employment, including but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, compensation, and training.

MBD expressly prohibits any form of unlawful employee harassment based on race, color, religion, sex, national origin, age, disability, status as a Vietnam-era or special disabled veteran, or status in any group protected by state or local law. Improper interference with the ability of MBD's employees to perform their expected job duties is not tolerated.

Business Ethics and Conduct

The successful business operation and reputation of MBD 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 MBD is dependent upon our customers' trust and we are dedicated to preserving that trust. Employees owe a duty to MBD, its customers, and shareholders to act in a way that will merit the continued trust and confidence of the public.

MBD will comply with all applicable laws and regulations and expects its 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 Vice President of Personnel for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every MBD employee.

Hiring of Relatives

The employment of relatives in the same area of an organization may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried into day-to-day working relationships.

Although MBD has experienced very good results hiring relatives of existing employees, we are committed to monitoring situations in which relatives work in the same area. In case of actual or potential problems, MBD will take prompt action. This can include reassignment or, if necessary, termination of employment for one or both of the individuals involved.

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.

Immigration Law Compliance

MBD 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 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 MBD 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 Vice President of Personnel. Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

Conflicts of Interest

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which MBD 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 President for more information or questions about conflicts of interest.

Transactions with outside firms must be conducted within a framework established and controlled by the executive level of MBD. Business dealings with outside firms should not result in unusual gains for those firms. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit either the employer, the employee, or both. Promotional plans that could be interpreted to involve unusual gain require specific executive-level approval.

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 MBD'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 MBD 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 MBD 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 MBD.

Outside Employment

An employee may hold a job with another organization as long as he or she satisfactorily performs his or her job responsibilities with MBD. All employees will be judged by the same performance standards and will be subject to MBD's scheduling demands, regardless of any existing outside work requirements.

If MBD determines that an employee's outside work interferes with performance or the ability to meet the requirements of MBD as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with MBD.

Employees must notify MBD of any outside employment. Outside employment will present a conflict of interest if it has an adverse impact on MBD.

Non-Disclosure

The protection of confidential business information and trade secrets is vital to the interests and the success of MBD. Such confidential information includes, but is not limited to, the following examples:

- * compensation data
- * computer processes
- * computer programs and codes
- * customer lists
- * customer preferences
- * financial information
- * new materials research
- * pending projects and proposals

Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

Disability Accommodation

MBD complies with the Americans With Disabilities Act and applicable state and local laws providing for nondiscrimination in employment against qualified individuals with disabilities. MBD also provides reasonable accommodation for such individuals in accordance with these laws. MBD evaluates the feasibility of requested accommodations in light of the ADA's guidelines and determines whether such accommodations will create an undue hardship on MBD. It is MBD's policy to, without limitation:

1. Ensure that qualified individuals with disabilities are treated in a nondiscriminatory manner in the preemployment process and that employees with disabilities are treated in a nondiscriminatory manner in all terms, conditions, and privileges of employment.
2. Administer medical examinations, such as second-medical-opinion or fitness-for-duty exams, (a) to applicants only after conditional offers of employment have been extended and (b) to employees only when justified by business necessity or as part of MBD's voluntary annual physical examination program.
3. Keep all medical-related information confidential in accordance with the requirements of the ADA and retain such information in separate confidential files.
4. Provide applicants and employees with disabilities with reasonable accommodation, except where such an accommodation would create an undue hardship on MBD.
5. Notify individuals with disabilities that MBD provides reasonable accommodation to qualified individuals with disabilities, by including this policy in MBD's employee handbook and by posting the Equal Employment Opportunity Commission's poster on not discriminating against individuals with disabilities and other protected groups conspicuously throughout MBD's facilities.

Qualified individuals with disabilities may make requests for reasonable accommodation to MBD's Vice President of Personnel. On receipt of an accommodation request, this officer will meet with the requesting individual to discuss and identify the precise limitations resulting from the disability and the potential accommodation that MBD might make to help overcome those limitations.

The Vice President of Personnel in conjunction with, when appropriate, the remaining staff identified as having a need to know (e.g., the individual's supervisor/department head), will determine the feasibility of the requested accommodation, considering various factors, including, but not limited to, the nature and cost of the accommodation, the availability of tax credits and deductions, outside funding, the facility's overall financial resources and organization, and the accommodation's impact on the operation of the facility, including its impact on the ability of other employees to perform their duties and on the facility's ability to conduct business.

The Vice President of Personnel will inform the employee of MBD's decision on the accommodation request or on how to make the accommodation. If the accommodation request is denied, employees will be advised of their right to appeal MBD's decision to the President of MBD by submitting a written statement to the President along with the reasons for the request.

The President and the executive staff of MBD will review all employee appeals. After reviewing an employee's appeal, the President will notify the Vice President of Personnel of its decision. The Vice President will in turn notify the individual making the appeal of the decision, which will be final.

Employment Status & Records

Employment Categories

It is the intent of MBD to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility.

Each employee is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour 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 wage and hour laws. An employee's EXEMPT or NONEXEMPT classification may be changed only upon written notification by MBD 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 MBD's full-time schedule. Generally, they are eligible for MBD's benefit package, subject to the terms, conditions, and limitations of each benefit program.

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

Access to Personnel Files

MBD maintains a personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Personnel files are the property of MBD, and access to the information they contain is restricted. Generally, only supervisors and management personnel of MBD 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 Vice President of Personnel. With reasonable advance notice, employees may review their own personnel files in MBD's offices and in the presence of an individual appointed by MBD to maintain the files.

Employment Reference Checks

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

The Human Resources Manager 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.

Personnel Data Changes

It is the responsibility of each employee to promptly notify MBD of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed, notify the Personnel Director.

Introductory Period

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. MBD uses this period to evaluate employee capabilities, work habits, and overall performance.

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 the absence. If MBD determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended by MBD 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 MBD-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.

Employment Applications

MBD relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

Performance Evaluation

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. 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.

Employee Benefit Programs

Employee Benefits

Eligible employees at MBD are provided a wide range of benefits. A number of the programs (such as Social Security, workers' compensation, state disability, and unemployment insurance) cover all employees in the manner prescribed by law.

Benefits eligibility is dependent upon a variety of factors, including employee classification. Your supervisor can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the employee handbook.

- **Workers' Compensation Insurance**

MBD 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. (See page 46 for approved doctors).

Neither MBD 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 MBD.

Jury Duty

MBD encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees in an eligible classification may request paid jury duty leave.

Jury duty pay will be calculated on the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence. Employee classifications that qualify for paid jury duty leave are:

- * Regular full-time employees that have worked at least 90 days

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. If employees are released from jury duty before lunch, they will be required to report for work that day.

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

MBD will continue to provide health insurance benefits for a maximum period of thirty calendar days after the jury duty leave begins. At that time, employees will become responsible for the full costs of these benefits if they wish coverage to continue. When the employee returns from jury duty, benefits will again be provided by MBD according to the applicable plans.

Benefits Continuation (COBRA)

If you resign or are terminated from MBD's employ or if your work hours are reduced, and if this event makes you or your dependents no longer eligible to participate in one of our group health insurance plans, you and your eligible dependents may have the right to continue to participate for up to eighteen months at your (or your dependents') expense. If you are determined to be disabled under the Social Security Act at the time your termination or reduction in hours occurs, you may be entitled to continuation coverage for up to twenty-nine months.

Your eligible dependents may also extend coverage, at their expense, for up to thirty-six months in our group health insurance plans in the event of your death, divorce, legal separation, or enrollment for Medicare benefits, or when a child ceases to be eligible for coverage as a dependent under the terms of the plan. The eighteen-month continuation coverage period provided in the event of your termination or reduction in working hours may be extended to thirty-six months for your spouse and dependent children if, within that eighteen-month period, you die or become divorced or legally separated, or if a child ceases to have dependent status. In addition, if you enroll in Medicare during the eighteen-month period, your spouse and dependent children may be entitled to extend their continuation period to thirty-six months, starting on the date that you become eligible for Medicare.

If you or your eligible dependents elect to continue as members of MBD's plans, you will be charged the applicable premium charged MBD by our carriers plus an additional 2 percent. Employees with disabilities, however, will be charged an additional 50 percent of the applicable premium during the nineteenth through the twenty-ninth months of continuation coverage. The premium is subject to change if the rates being charged MBD increase or decrease. If this

election for continuation coverage is made, you have the right to convert this coverage to an individual policy with our insurance carriers at the end of the continuation period.

Continuation coverage may end, however, if any of the following events occur: (1) failure to make timely payments of all premiums; (2) assumption of coverage under another group health plan, which does not exclude or limit coverage provided to you on account of a preexisting medical condition, or (3) MBD's termination of its group health plans. If you enroll for Medicare, you will no longer be eligible for continued coverage, but, as noted earlier in this statement, your spouse and dependent children may be entitled to extend their continuation coverage.

Our plan administrator will contact you concerning these options at the time termination occurs or your work hours are reduced. The plan administrator will contact your qualified beneficiaries in the event of your death or enrollment for Medicare benefits. However, in the event that you become divorced or legally separated, or one of your dependents ceases to be eligible for coverage under our group health insurance plans, you and/or your dependent are responsible for contacting the human resources department and the plan administrator to discuss continuation/conversion rights. You and your qualified beneficiaries are also responsible for notifying the human resources department within sixty days of qualifying for social security disability benefits.

For further details regarding continuing or converting your group health insurance benefits, please contact the human resources department or refer to the Summary Plan Description of MBD's health plans.

Health Insurance

MBD's health insurance plan provides employees and their dependents access to medical insurance benefits. Employees in the following employment classifications are eligible to participate in the health insurance plan:

- * Regular full-time employees

Eligible employees may participate in the health insurance plan subject to all terms and conditions of the agreement between MBD and the insurance carrier.

Details of the health insurance plan are described in the Summary Plan Description (SPD). An SPD and information on cost of coverage will be provided in advance of enrollment to eligible employees. Contact the Benefits Specialist for more information about health insurance benefits.

Life Insurance

Life insurance offers you and your family important financial protection. MBD provides voluntary access to a basic life insurance plan for eligible employees.

Employees in the following employment classifications are eligible to participate in the life insurance plan:

- * Regular full-time employees

Eligible employees may participate in the life insurance plan subject to all terms and conditions of the agreement between MBD and the insurance carrier.

Details of the basic life insurance plan including benefit amounts are described in the Summary Plan Description provided to eligible employees. Contact the Benefits Specialist for more information about life insurance benefits.

401(k) Retirement Plan

A 401(k) retirement plan is available to all regular full-time employees who have been employed for at least one year. This plan gives employees the opportunity to save for retirement with pre-tax contributions as allowed by law, and MBD may also make contributions from time to time.

Enrollment dates are January and July of each year. Contact the Benefits Specialist for more information about the 401(k) plan.

Timekeeping/Payroll

Timekeeping

Accurately recording time worked is the responsibility of every nonexempt employee. Federal and state laws require MBD to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

Nonexempt employees should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They should also record the beginning and ending time of any split shift or departure from work for personal reasons. Overtime work must always be approved before it is performed.

Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination of employment.

Business Hours

Normal business hours are 7:00 AM to 3:30 PM, Monday through Friday, with a 10 minute break at 9:00 AM and a 30 minute lunch break. Supervisors may change these hours to suit varying conditions.

Office hours are from 7:30 AM to 4:00 PM, Monday through Friday.

Paydays

Our pay period runs from Monday through Sunday with payday on the Friday following each period. Employees must notify MBD of any paycheck errors within 10 days.

In the event that a regularly scheduled payday falls on a day off such as a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

If a regular payday falls during an employee's vacation, the employee's paycheck will be available upon his or her return from vacation.

Before we issue your first paycheck we require that you turn in all necessary employment forms. These include:

1. A completed employment application (References will be checked)
2. A signed Substance Abuse Policy Acknowledgement Form (see Appendix)
3. A signed Employee Handbook Acknowledgement Form (see Appendix)
4. A completed W-4
5. A certified Alien Form (I-9)

These forms are important, and unless they are received in the office on Monday following your hire date, the office will hold your check. It is your responsibility to be sure the office receives these documents, not your Supervisor's.

Employment Termination

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 nondisciplinary reasons.

- * Retirement - voluntary employment termination initiated by the employee meeting age, length of service, and any other criteria for retirement from the organization.

Since employment with MBD is based on mutual consent, both the employee and MBD have the right to terminate employment at will, with or without cause, at any time. Employees will receive their final pay in accordance with applicable state law.

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. Some benefits may be continued at the employee's expense if the employee so chooses. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

Pay Advances

MBD does not provide pay advances on unearned wages to employees.

Pay Deductions

The law requires that MBD make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes. MBD also must deduct Social Security taxes on each employee's earnings up to a specified limit that is called the Social Security "wage base." MBD matches the amount of Social Security taxes paid by each employee.

If you have questions concerning why deductions were made from your pay check or how they were calculated, your supervisor can assist in having your questions answered.

Work Conditions & Hours

Safety

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

MBD provides information to employees about workplace safety and health issues through regular internal communication channels such as supervisor-employee meetings, bulletin board postings, memos, or other written communications. A safety advisory group has been established to assist in these activities and to facilitate effective communication between employees and management about workplace safety and health issues.

Employees and supervisors receive periodic workplace safety training. The training covers potential safety and health hazards and safe work practices and procedures to eliminate or minimize hazards.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify the Safety Director or the appropriate supervisor. Such reports are necessary to comply with laws

and initiate insurance and workers' compensation benefits procedures.

Failure to promptly report accidents may result in termination.

If you are injured, choose one of the medical providers listed below:

Knoxville Medical Clinic
4306 Asheville Highway
Knoxville, TN 37914
(865) 522-2168

Knoxville Medical Clinic
1826 Ailor Avenue
Knoxville, TN 37921
(865) 524-2743

Blount Memorial Occupational Health Center	
220 Associates Blvd.	110 Deer Crossing
Alcoa, TN 37701	Vonore, TN 37885
(865) 984-0100	(423) 884-6958

Vanderbilt Medical Group
919 Murfreesboro Rd.
Franklin, TN 37064
(615) 791-7373

If you do not go to one of the approved medical providers listed above, you may be held responsible for all charges, unless medical attention is needed after hours, or there is a serious injury and medical attention is needed immediately.

If medical attention is needed after hours, go to the nearest medical facility for **one** visit. **Any follow-up visits must be made with one of the approved medical providers.**

If there is a serious injury and medical attention is immediately required:

1. **Dial 911 IMMEDIATELY.**
2. **DO NOT MOVE THE INJURED EMPLOYEE UNTIL MEDICAL HELP ARRIVES.**
3. **GUARD THE INJURED EMPLOYEE FROM FURTHER INJURY.**
4. **PRESERVE THE ACCIDENT SITE AS MUCH AS POSSIBLE.**
5. **NOTIFY THE SAFETY DIRECTOR.**

For any injury that requires medical attention, the foreman must fill out First Report of Injury form and submit to the office within 24 hours. An Accident Investigation Report must be submitted within 48 hours to the Safety Director.

Work Schedules

Work schedules for employees vary throughout our organization. Supervisors will advise employees of their individual work schedules. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

Use of Telephones

Employees may be required to reimburse MBD for any charges resulting from their personal use of the office telephones or cellular phones.

To ensure effective telephone communications, employees should always use an appropriate greeting and speak in a courteous and professional manner. Please confirm information received from the caller, and hang up only after the caller has done so.

Smoking

In keeping with MBD's intent to provide a safe and healthful work environment, smoking is prohibited throughout the company office.

This policy applies equally to all employees, customers, and visitors.

Rest and Meal Periods

Each workday, full-time nonexempt employees are provided with 1 rest periods of 10 minutes in length. To the extent possible, rest periods will be provided in the middle of work periods. Since this time is counted and paid as time worked, employees must not be absent from their work stations beyond the allotted rest period time.

All full-time construction employees are provided with one meal period of 30 minutes in length 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.

Overtime

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. 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.

Failure to work scheduled overtime or overtime worked without prior authorization from the supervisor may result in disciplinary action, up to and including possible termination of employment.

Use of Equipment and Vehicles

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines. Employees should notify MBD immediately of any accidents or traffic citations.

Please notify the supervisor 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 could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job. Inspection forms for all company vehicles and some items of equipment must be completed on a regular basis. Questions about these required inspections should be directed to the Safety Director.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment.

All employees that have permission to drive a company vehicle must abide by the following rules:

1. Provide a valid Tennessee driver's license
2. Wear seat belt
3. No drinking of alcohol
4. No smoking in vehicle
5. Keep vehicle clean
6. Complete vehicle inspection sheet as required by the instructions for the vehicle you are operating.

7. Keep normal and regular maintenance up on vehicle to insure safe operation.
8. All employees who drive a company vehicle will abide by the applicable laws of the State of Tennessee in the operation of the vehicle.

Business Travel Expenses

MBD will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. All business travel must be approved in advance by the Accounting Manager.

Employees whose travel plans have been approved should make all travel arrangements through MBD's designated travel agency.

When approved, the actual costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by MBD. 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 MBD may not be used for personal use without prior approval.

When travel is completed, employees must submit completed travel expenses within 30 days. Reports should be accompanied by receipts for all individual expenses.

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 expenses 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.

Visitors in the Workplace

To provide for the safety and security of employees and the facilities at MBD, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

All visitors should enter MBD at 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 MBD's premises, employees should immediately notify their supervisor or, if necessary, direct the individual to the lobby.

Computer and E-mail Usage

Computers, computer files, the e-mail system, and software furnished to employees are MBD property intended for business use. Employees should not use a password, access a file, or retrieve any stored communication without authorization. To ensure compliance with this policy, computer and e-mail usage may be monitored.

MBD strives to maintain a workplace free of harassment and sensitive to the diversity of its employees. Therefore, MBD prohibits the use of computers and the e-mail system in ways that are disruptive, offensive to others, or harmful to morale.

For example, the display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others.

E-mail may not be used to solicit others for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

MBD 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, MBD 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. MBD prohibits the illegal duplication of software and its related documentation. Employees must not install any software on the network without the prior approval of the Network Administrator.

Employees should notify their immediate supervisor, the Network Administrator 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.

Internet Usage

Internet access to global electronic information resources on the World Wide Web is provided by MBD to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage. While Internet usage is intended for job-related activities, personal use may be permitted with prior authorization.

All Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of MBD 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 MBD. As such, MBD 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, age, sex, religious or political beliefs, national origin, disability, sexual orientation, 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.

Internet users should take the necessary anti-virus precautions before downloading or copying any file from the Internet. All downloaded files are to be checked for viruses; all compressed files are to be checked before and after decompression. No files should be downloaded without the prior approval of the Network Administrator.

Abuse of the Internet access provided by MBD in violation of law or MBD 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 organization'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

Workplace Monitoring

Workplace monitoring may be conducted by MBD to ensure quality control, employee safety, security, and customer satisfaction.

Employees who regularly communicate with customers may have their telephone conversations monitored or recorded. Telephone monitoring is used to identify and correct performance problems through targeted training. Improved job performance enhances our customers' image of MBD as well as their satisfaction with our service.

Computers furnished to employees are the property of MBD. As such, computer usage and files may be monitored or accessed.

Because MBD is sensitive to the legitimate privacy rights of employees, every effort will be made to guarantee that workplace monitoring is done in an ethical and respectful manner.

Workplace Violence Prevention

MBD is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in society in general, MBD has adopted the following guidelines to deal with intimidation, harassment, or other threats of (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. Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of MBD without proper authorization.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member 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 sex, race, age, or any characteristic protected by federal, state, or local 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 station, do not try to intercede or see what is happening.

MBD will promptly and thoroughly investigate all reports of threats of (or actual) 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 the integrity of its investigation, MBD 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 prompt disciplinary action up to and including termination of employment.

MBD encourages employees to bring their disputes or differences with other employees to the attention of their supervisors or the Office Manager before the situation escalates into potential violence. MBD is eager to assist in the resolution of employee disputes, and will not discipline employees for raising such concerns.

Leaves of Absence

Family and Medical Leave

MBD allows eligible employees to take up to 12 weeks of leave in a 12 month period. The leave is available to care for a child after birth or adoption or due to a serious health condition of the employee and his or her parent, spouse or child. This policy is intended to comply with the requirements of federal law. Leave is available for the following events:

- *Birth of a child, and to care for the child (must be taken within one year of the birth)
- *Placement of a child for adoption or foster care
- *To care for a seriously ill spouse, child or parent
- *Because of your own serious health condition that makes you unable to perform the essential functions of your job

Eligible employees are as follows:

- *You must have worked for MBD for at least 12 months (need not be consecutive)
- *You must have worked at least 1,250 hours during the 12 consecutive months preceding the start of your requested leave
- *You must work at an eligible worksite (at least 49 other employees, including part-time, work within a 75-mile radius of you)

The 12-month period (during which up to 12 weeks of leave is available) is a rolling 12-month period measured backward from the date leave is requested or taken.

To qualify for a leave, you must apply using an MBD “Application for Family or Medical Leave of Absence.” The completed application must state the reason for leave, the duration of the leave, and the starting and ending dates of the leave. All applications are kept confidential and separate

from your personnel file. In the event of a foreseeable leave of absence, you must apply 30 days prior to the day you want to start your leave. If you fail to do so, your leave starting date may be delayed for up to 30 days after you do apply. In the case of a leave that is not foreseeable, you must notify MBD as soon as possible, generally within one or two days. After you submit your application for a leave, MBD will determine whether you need to provide additional information. MBD also will ask you to submit an application for leave after you have missed 5 consecutive days of work, or if you request days off or time off in advance, other than for vacation. MBD will determine whether or not you meet the eligibility requirements at the time you apply for the leave.

MBD will approve or disapprove of the leave as qualifying under this policy as soon as practicable after all required information is received from you. In no event will MBD tolerate outside employment in any capacity. Any outside employment or work for compensation on any basis by an employee on a leave under this policy will result in immediate dismissal and forfeiture of all rights under this policy.

You will be required to provide a certification of a health care provider if you request a leave to care for a seriously ill family member or if you request a leave because you are unable to perform your job due to a serious health condition. The certification must state the date on which the health conditions commenced, the probable duration of the conditions, and the appropriate medical facts regarding the condition. You must use the form, "Certification of Physician or Practitioner," available from the human resources office, and you must give your physician or practitioner a copy of your most recent job description. A similar certification will be required for a reduced hours or intermittent leave due to your health condition or that of your family member. In that case, the certification must be completed to state that such a leave is medically necessary, the expected duration, and a

schedule of your leave. MBD may require a second certification at its own expense if it wants to confirm the first opinion. MBD designates or selects this physician or practitioner for the second certification. MBD may require a third certification, again at MBD expense, if the first two opinions conflict, by a physician or practitioner jointly approved by you and MBD. This third opinion is binding on everyone. Recertification may be required by MBD not more often than every 30 days, in the absence of different circumstances, a request for an extension, or when the employer has reason to question the validity of the original certification.

You may be able to work reduced hours or take an intermittent leave (in other words, you can take hours or days off, rather than leaving work altogether for 12 weeks). The total leave is still limited to 12 weeks per year. The leave must be medically necessary to care for a seriously ill family member or due to your own illness, provided the physician or practitioner certifies it as medically necessary. This type of leave schedule will need to be pre-approved by MBD if it is requested for the care of a son or daughter following birth or preceding adoption or foster care placement, and approval is at MBD's sole discretion for these events. MBD may require you to have a schedule that does not disrupt its business operations. If you must take leave on such a schedule due to the need to care for your ill family member or due to your own poor health, MBD may transfer you to a position for which you are qualified (without your approval) that better accommodates your new schedule, while still providing you with equivalent pay and benefits.

You generally must use up your accrued paid vacation, personal, sick and other paid days off (if applicable) as part of your 12 weeks of leave. If you are taking paid time off when you have an event qualifying for a leave under this policy, your 12 weeks will be measured from the date of the event.

MBD will continue to provide you with coverage under our health plans under the same conditions as when you were not on leave. You also will be eligible for and subject to any new health plans or changes to the existing health plan that take effect while you are on your leave. Your regular health benefits will end when you indicate that you will not be returning to work, but you may choose to elect continued medical coverage under our plan at your expense at that time. If you are receiving a paycheck due to using paid days off, the premiums may be deducted pre-tax, provided you designate that you agree to this treatment when you apply for the leave. Otherwise, you must pay the premiums on an after-tax basis at two week intervals. You must pay your premium contributions toward health care benefits by sending them to the address located on the back of this handbook. MBD will continue to pay its share of the health premiums, if applicable. Your health coverage will be terminated following a 30-day grace period if you fail to pay your required premiums.

MBD may collect its premiums relating to the unpaid portion of your leave (and any paid on your behalf, should you fail to pay them) from you if you fail to return to work. The only exceptions to MBD's reimbursement rights are if (1) the event that prevents you from returning to work is a serious health condition of you or your family member or (2) is beyond your control (as determined by MBD in its sole discretion). MBD will require you to provide a certification of the serious health condition within 30 days of MBD's request if the event preventing your return to work is a serious health condition. If you fail to provide the certification, MBD can recover the premiums paid on your behalf during the leave period. An employee is not entitled to the accrual of any seniority or employment benefits that would have occurred if not for the taking of the leave. An employee who takes family or medical leave will not lose any employment benefits that accrued before the date leave began.

Prior to returning from a leave, you must obtain a fitness for duty certification from your physician. Upon returning from a leave under this policy, you will be entitled to be restored to the same position you held when your leave started, or to an equivalent position with equivalent benefits, pay, and other terms and conditions of employment. MBD cannot guarantee that an employee will be returned to his or her original job. If you cannot be returned to your original job, you will be assigned to an equivalent position (as work is available) with equivalent pay and benefits. The equivalent position will be determined by MBD, in its sole discretion, under federal guidelines.

Some key employees (those in the top 10% of the workforce in terms of compensation for a 75-mile radius) may not be eligible for reinstatement. If the return of a key employee would cause substantial and grievous economic injury to the employer, based on factors such as workplace disruption, MBD can deny his or her reinstatement. If you desire more information about the rules relating to key employees, please ask your benefits manager for details. You will be notified after you apply for a leave whether or not you are a “key employee,” and that if you are, you may not be eligible for reinstatement.

Upon your return, you will also be entitled to participate in all of the employee welfare benefit plans you participated in prior to your leave, without meeting any otherwise applicable qualification requirements (such as satisfying a waiting period or pre-existing condition waiting period, waiting for open enrollment, or passing a medical examination). Any increases in benefits that do not depend on seniority or accrual during the leave period will be provided upon your return.

You may obtain additional explanation by contacting our FMLA Coordinator at the address on the back of this handbook.

Employee Conduct & Disciplinary Action

Employee Conduct and Work Rules

To ensure orderly operations and provide the best possible work environment, MBD 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
- 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
- Excessive absenteeism or any 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
- Violation of personnel policies

- Unsatisfactory performance or conduct

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

In an effort to assure the maximum safety of each individual employee, all company operations are conducted in conformity with these safety practices:

- Report all injuries to your foreman immediately.
- Hard hats, safety glasses, steel toed boots, if required on the job you are working, must be worn at all times. Other protective equipment may be required if called for by the job or foreman. (All must meet OSHA and ANSI standards).
- Fall protection equipment, dust masks and non-prescription safety glasses are provided at no cost by MBD Company Systems, Inc. All employees are responsible to furnish other needed personal protective equipment.
- Wear clothes suited for the job - no torn or loose clothing that may get caught on or in equipment will be permitted. Do not wear soft soled shoes (tennis-type).
- Learn to lift the proper way. Bend knees, keep back erect. Get help for heavy lifting. Lumbar belts are available if needed, ask your foreman.
- Do not ride or get under loads that are being carried by cranes or equipment.
- Never ride on rolling scaffolding or stages.
- Make sure guards or protective devices are on tools or equipment when operating.
- Hand tools, such as hammers and chisels, should be kept well dressed so that injury from flying particles can be prevented.
- Be sure all electrical devices and power tools are properly grounded.

- Be sure you know what is behind your vehicle before backing up. Get out and look if necessary.
- Don't throw anything from a height until the area below is secured and policed at all times with visible and audible contact to be in place as needed to insure safety. Normally a "trash" chute is necessary.
- **Safety violations are serious**. Employees may be **terminated** at any time due to violating the safety rules.

Substance Abuse Policy

MBD is committed to providing a safe work environment and to fostering the well being and health of its employees. That commitment is jeopardized when any employee illegally uses drugs on or off the job, comes to work under the influence, possesses, distributes or sells drugs in the workplace, or abuses alcohol on the job. Therefore, MBD Company has established the following policy, pursuant to T. C. A. Section 50-9-101 et. seq.:

1. It is a violation of company policy for any employee to use, possess, sell, trade, offer for sale, or offer to buy illegal drugs or otherwise engage in the illegal use of drugs on or off the job.
2. It is a violation of company policy for any employee to report to work under the influence of or impaired by alcohol and/or under the influence of or while possessing in his or her body, blood or urine, illegal drugs in any detectable amount. It is a condition of employment at this company that each employee refrain from reporting to work or working with the presence of drugs or alcohol in the employee's body.
3. It is a violation of the company policy for any employee to use prescription drugs that have not been legally obtained or in a manner or for a purpose other than as prescribed. However, nothing in this policy precludes the appropriate use of legally prescribed medications.
4. Violations of this policy are subject to disciplinary action up to and including termination.

It is the responsibility of the company's supervisors to counsel employees whenever they see changes in performance or behavior that suggest an employee has a drug problem. Although it is not the supervisor's job to

diagnose personal problems, the supervisor should encourage such employees to seek help and advise them about available resources for getting help. Everyone shares responsibility for maintaining a safe work environment, and co-workers should encourage anyone who has a drug problem to seek help.

The goal of this policy is to balance our respect for individuals with the need to maintain a safe, productive and drug-free environment. The intent of this policy is to offer a helping hand to those who need it, while sending a clear message that the illegal use of drugs and the abuse of alcohol are incompatible with employment at MBD.

The company offers resource information on various means of employee assistance in our community, including but not limited to drug and alcohol abuse programs. Employees are encouraged to use this resource file; which is located at the company office. In addition, we will distribute this information to employees for their confidential use. A representative sampling of names, addresses, and telephone numbers of employee assistance programs and local drug or alcohol rehabilitation programs is attached.

GENERAL PROCEDURES

Any employee reporting to work visibly impaired will be deemed unable to perform required duties and will not be allowed to work. If possible, the employee's supervisor will first seek another supervisor's opinion to confirm the employee's status. Next, the supervisor will consult privately with the employee to determine the cause of the observation, including whether substance abuse has occurred. If, in the opinion of the supervisor, the employee is considered impaired, the employee will be sent home or to a medical facility by taxi or other safe transportation alternative – depending on the determination of the observed impairment – and accompanied by the supervisor or another

employee if necessary. A drug or alcohol test may be in order. An impaired employee will not be allowed to drive.

OPPORTUNITY TO CONTEST OR EXPLAIN TEST RESULTS

Employees and job applicants who have a positive confirmed drug or alcohol test result may explain or contest the result to the medical review officer within five (5) working days after receiving written notification of the test result from the medical review officer; if an employee's or job applicant's explanation or challenge is unsatisfactory to the medical review officer, the medical review officer shall report a positive test result back to the company; a person may contest the drug test result pursuant to rules adopted by the Tennessee Department of Labor.

CONFIDENTIALITY

The confidentiality of any information received by the employer through a substance abuse testing program shall be maintained, except as otherwise provided by law.

JOB APPLICANT DRUG TESTING

All job applicants at this company will undergo testing for substance abuse as a condition of employment. Any applicant with a confirmed positive test result will be denied employment.

Applicants will be required to submit voluntarily to a urinalysis test at a laboratory chosen by this company, and by signing a consent agreement will release this company from liability.

If the physician, official, or lab personnel has reasonable suspicion to believe that the job-applicant has tampered with

the specimen, the applicant will not be considered for employment.

This company will not discriminate against applicants for employment because of past history of drug or alcohol abuse. It is the current illegal use of drugs and/or abuse of alcohol, preventing employees from performing their jobs properly, that this company will not tolerate.

EMPLOYEE DRUG TESTING

This company has adopted testing practices to identify employees who use illegally use drugs on or off the job or who abuse alcohol on the job. It shall be a condition of employment for all employees to submit to substance abuse testing under the following circumstances:

1. When there is reasonable suspicion to believe that an employee is illegally using drugs or abusing alcohol. “Reasonable suspicion” is based on a belief that an employee is using or has used drugs or alcohol in violation of the employer’s policy drawn from specific objective and articulable facts and reasonable inferences drawn from those facts in light of experience. Among other things, such facts and inferences may be based upon, but not limited to, the following:
 - A. Observable phenomena while at work such as direct observation of substance abuse or of the physical symptoms or manifestations of being impaired due to substance abuse;
 - B. Abnormal conduct or erratic behavior while at work or a significant deterioration in work performance;
 - C. A report of substance abuse provided by a reliable and credible source;
 - D. Evidence that an individual has tampered with any substance abuse test during his or her employment with the current employer;

- E. Information that an employee has caused or contributed to an accident while at work; or
 - F. Evidence that an employee has used, possessed, sold, solicited, or transferred drugs while working or while on the employer's premises or while operating the employer's vehicle, machinery, or equipment.
2. When employees have caused or contributed to an on-the-job injury that resulted in a loss of work-time, which means any period of time during which an employee stops performing the normal duties of employment and leaves the place of employment to seek care from a licensed medical provider. If an injured employee refuses to submit to a test for drugs or alcohol, that employee forfeits eligibility for worker's compensation, medical, and indemnity benefits. This company may send employees for a substance abuse test if they are involved in on-the-job accidents where personal injury or damage to company property occurs when such accidents do not result in a loss of work-time.
 3. As part of a follow-up program to treatment for drug abuse.
 4. Routine fitness-for-duty drug or alcohol testing. A covered employer must require an employee to submit to a drug or alcohol test if the test is conducted as part of a routinely scheduled employee fitness-for-duty medical examination where the examinations are required by law, regulation, are part of the covered employer's established policy, or one that is scheduled routinely for all members of an employment classification group.
 5. After being selected for random testing as a part of the company's random drug testing program.

ALCOHOL TESTING

The consumption or possession of alcoholic beverages on the company's premises is prohibited. An employee whose

normal faculties are impaired due to alcoholic beverages, or whose blood alcohol level tests .10% by weight for non-safety sensitive positions, or .04% for safety sensitive positions, while on duty/company business shall be guilty of misconduct, and shall be subject to discipline up to and including termination.

REFUSAL TO SUBMIT

Failure to submit to a required substance abuse test also is misconduct and also shall be subject to discipline up to and including termination.

IMPORTANT INFORMATION FOR JOB APPLICANTS AND EMPLOYEES

Disciplinary action for the employee who tests positive will include a thirty (30) day probation period. During this period the employee may work (if work is available) but must also demonstrate a documented good faith effort to become drug-free (refer to appendix for a listing of places where employee can seek treatment). The employee must test negative by a diagnostic test in 30 days in order to continue employment. A positive test result at the end of the 30-day probation period will result in a 30-day suspension without pay and/or termination. It is the sole right of this company to determine whether an employee should be suspended or terminated, depending on the circumstances. (By signing off on this policy the employee agrees to the provision.) Suspended employees will be required to undergo a diagnostic test in 30 days. If the 30-day test is negative the employee will be allowed to return to work provided work is available. A suspended employee will be promptly terminated who tests positive on the 30-day diagnostic test.

All new employees, potential employees, and former employees that have not been employed by MBD Company for 90 days or greater will be required to pass a drug screen as a condition of employment. Normal time to get the results

for drug screen from the doctor/lab is three days. However, the company, at its discretion, may put applicant to work immediately depending on the company's need for help, familiarity with applicant (former employee, recommendation by present employee, etc.). Each new employee/candidate must go the company selected doctor's office/lab for a drug screen within 24 hours from the time that the employee starts to work. Failure of the drug screen will result in the employee/candidate being dismissed from MBD Company Systems, Inc. and the cost of the drug screen will be deducted from his/her paycheck. After 30 days from the dismissal the individual may apply for employment and the company will consider the application and respond at its discretion and based on circumstances such as company's need for help, etc. However, applicant must pass and pay for a drug screen performed by the company's doctor/lab before employment can begin.

When an employee or job applicant submits to a drug and/or alcohol test, they will be given a form by the specimen collector that contains a list of common medications and substances which may alter or affect the outcome of a drug or alcohol test. This form will also have a space for the donor to provide any information that he/she considers relevant to the test, including the identification of currently or recently use prescription or non-prescription medication or other relevant information. The information form should be kept by the job applicant or employee for their personal use. If the job applicant or employee has a positive confirmed test result a medical review officer will attempt to contact the individual in order to privately discuss the findings with that person. The job applicant or employee should keep the form as a "reminder" to discuss this information at the time. The medical review officer will take this information into account when interpreting any positive confirmed test results. The information provided shall be treated as confidential and will not be given to the employer. Employees and job applicants have the right to consult with a medical review officer for

technical information regarding prescription and non-prescription medicine.

It is the responsibility of every employee or job applicant to notify the testing laboratory of any administrative or civil action brought pursuant to TCA Section 50-9-101 et. seq., Drug-Free Workplace Programs.

The provisions of this policy are subject to any applicable collective bargaining agreement or contract and include the right of appeal to the applicable court.

Substance abuse testing for job applicants and employees will include a urinalysis screen for the following drugs:

Alcohol: Any “Alcoholic Beverage”, all liquid medications containing ethyl alcohol (ethanol). Please read the label for content. For example; Vicks Nyquil is 25% (50 proof) ethyl alcohol, Comtrex is 20% (40 proof), Contac Severe Cold Formula Night Strength is 25% (50 proof) and Listerine is 26.9% (54 proof).

Amphetamines: “speed,” “uppers,” etc.

Cannabinoids: THC, marijuana, hashish, “pot,” “grass,” “hash,” etc.

Cocaine: “coke,” “crack,” etc.

Phencyclidine: PCP, “angel dust.”

Opiates: Narcotics, Heroin, Codeine, Morphine, “smack, dope, etc...”

Benzodiazepines: Valium, Librium, Anti-anxiety drugs

Barbiturates

Methadone

Propoxyphene

Methoqualone: Quaaludes

MBD Company prohibits the use, possession, or distribution on its premises, facilities or workplaces of any unauthorized drugs as listed above, and any related drug paraphernalia, firearms, or explosives.

Entry into or presence on company premises (premises shall mean any motor vehicles, building, ground or at any other location at which the employee is required by the company to perform work or be on duty), facility, or workplace by any person is conditioned upon the company's right to search the person, personal effects, tool boxes, vehicles, lockers, baggage, and quarters of any employee or other entrant for any substances named in the paragraph above, etc. By entering into or being present on company premises, facility or workplace, any person is deemed to have consented to such searches, which may include periodic and unannounced searches of anyone while on, entering, or leaving company premises, facility, or workplace. These searches may include the use of electronic detection devices, scent-trained dogs, or the taking of blood, urine, or saliva samples for testing to determine the presence of substances named in the paragraph above, etc. The company also reserves the right, at all times to have authorized personnel conduct periodic examinations of its employees and employees of its subcontractor and suppliers for the purpose to determining if any such personal on a company jobsite or associated locations are using marijuana, illegal drugs or alcohol.

This company does not want to lose or penalize any of its employees as a result of the enforcement of this policy. So, let's work together and continue to promote and develop a

safe, healthy, and productive place of employment for all of us.

Sexual and Other Unlawful Harassment

MBD is committed to providing a work environment that is free of discrimination and unlawful harassment. With respect to sexual harassment, MBD prohibits the following:

1. Unwelcome sexual advances; requests for sexual favors; and all other verbal or physical conduct of a sexual or otherwise offensive nature, especially where:

Submission to such conduct is made either explicitly or implicitly a term or condition of employment;

Submission to or rejection of such conduct is used as the basis or decisions affecting an individual's employment; or

Such conduct has the purpose or effect of creating an intimidating, hostile, or offensive working environment.

2. Offensive comments, jokes, innuendos, and other sexually oriented statements.

Each member of management is responsible for creating an atmosphere free of discrimination and harassment, sexual or otherwise. Further, employees are responsible for respecting the rights of their co-workers.

If you experience any job-related harassment based on your sex, race, national origin, disability, or another factor, or believe that you have been treated in an unlawful, discriminatory manner, promptly report the incident to your supervisor, who will investigate the matter and take appropriate action, including reporting it to the director of human resources. If you believe it would be inappropriate to discuss the matter with your supervisor, you may bypass

your supervisor and report it directly to the head of your department or to the director of human resources, who will undertake an investigation. Your complaint will be kept confidential to the maximum extent possible.

If MBD determines that an employee is guilty of harassing another individual, appropriate disciplinary action will be taken against the offending employee, up to and including termination of employment.

MBD prohibits any form of retaliation against any employee for filing a bona fide complaint under this policy or for assisting in a complaint investigation. However, if, after investigating any complaint of harassment or unlawful discrimination, MBD determines that the complaint is not bona fide or that an employee has provided false information regarding the complaint, disciplinary action may be taken against the individual who filed the complaint or who gave the false information.

Attendance and Punctuality

To maintain a safe and productive work environment, MBD expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on MBD. 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.

All employees are expected to furnish their own transportation to and from the job.

Personal Appearance

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image MBD presents to the community.

During business hours, employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions.

Consult your supervisor or department head if you have questions as to what constitutes appropriate attire.

Return of Property

Employees are responsible for all MBD property, materials, or written information issued to them or in their possession or control. Employees must return all MBD property immediately upon request or upon termination of employment. Where permitted by applicable laws, MBD may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. MBD may also take all action deemed appropriate to recover or protect its property.

Drug Testing

MBD 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 Personnel Manager.

Progressive Discipline

The purpose of this policy is to state MBD'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.

MBD'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 MBD is based on mutual consent and both the employee and MBD have the right to terminate employment at will, with or without cause or advance notice, MBD 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.

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; a 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.

MBD 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.

While it is impossible to list every type of behavior that may be deemed a serious offense, the Employee Conduct and Work Rules policy includes examples of problems that may result in immediate suspension or termination of employment. However, the problems listed are not all necessarily serious offenses, but may be examples of unsatisfactory conduct that will trigger progressive discipline.

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

Appendices

Preferred Referral List: Substance Abuse Professionals

Peninsula Healthcare

Sandy Stiles, C.S.A.C. 970-9800

P. O. Box 2000

Jones Bend Road

Louisville, TN 37777

Services include:

- Inpatient Hospitalization
- Day Treatment
- Intensive Outpatient
- Free Community Services
- Referral
- Assessment (Screening)
- Intervention Training
- Staff available 24 hours/day

Accepts most major commercial insurance (incl. TennCare)

Outpatient Addiction Recovery

Robert McColl, L.C.S.W. 694-4370

9207 Park West Boulevard

Suite 203 Parker Building

Knoxville, TN 37923

Services include:

- Flexible Outpatient Treatment
- Interventions
- Individual Therapy
- Education Programs
- Free Assessment

University of Tennessee Medical Center – Alcohol & Drug Recovery Center

Gardner Horton 544-9600
1924 Alcoa Hwy. Box 44
Knoxville, TN 37920

Center for Psychology & Counseling

Dr. Angela Masini 588-1923
Dr. Eli Mitchell
4877 Chambliss Ave.
Knoxville, TN 37919
Services include:

- Alcohol, Drug & Co-Dependency Treatment
- Family Counseling
- Individual Therapy

Another Chance Recovery Program

John West 691-8018
Pam Human
6712 Dean Hill Drive
Suite A
Knoxville, TN 37919
Services include:

- Outpatient Treatment
- Flexible Hours
- 24 Hour Crisis Team

Accepts most insurance plans (including TennCare)

Cornerstone of Recovery

Dan Caldwell 970-7747
1120 Topside Road
Louisville, TN 37777
Services include:

- Free Assessment
- Staff Available 24 Hours/Day

- Medical Detoxification Program
- Inpatient Treatment
- Day Treatment
- Outpatient Evening Programs
- Extended Care
- Education & Evaluation Programs
- Aftercare Programs

Accepts most insurance plans

Employee Handbook Acknowledgement

The employee handbook describes important information about MBD Company, and I understand that I should consult the Vice President of Human Resources regarding any questions not answered in the handbook. I have entered into my employment relationship with MBD Company voluntarily and acknowledge that there is no specified length of employment. Accordingly, either I or MBD Company 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 MBD Company'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 chief executive officer of MBD Company has the ability to adopt any revisions to the policies in this handbook.

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.

Name of Employee

Employee's Signature

Date

Substance Abuse Policy Acknowledgement

I do hereby certify that I have received and have read the MBD Company Systems, Inc. substance abuse and testing policy and have had the drug-free workplace program explained to me. I understand that if my performance indicates it is necessary, I will submit to a drug and/or alcohol test. I also understand that failure to comply with a drug and/or alcohol testing request or a positive confirmed result for the illegal use of drugs and/or alcohol may lead to discipline up to and including termination of employment and/or loss of workers' compensation benefits.*

Name of Employee

Employee's Signature

Date

* (Pursuant to T.C.A. Section 50-9-100 et. Seq.)

**MBD Company, LLC
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**P. O. Box 20156
Knoxville, TN 37940**

Phone (865) 862-4716

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