



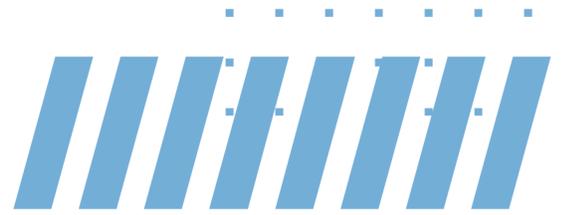
EMPLOYEE HANDBOOK

A HANDBOOK OF EMPLOYEE BENEFITS AND PERSONNEL POLICIES

AN EQUAL OPPORTUNITY EMPLOYER

2026 EDITION

Legal Disclaimer



Legal Disclaimer to Users of This Employee Handbook

This policy is not intended nor should it be construed as an employment contract. Under current North Carolina law, any employee can quit or be terminated without notice. Should any section, subsection, or statement contained herein conflict with any Federal, State or Local laws, then the law will be considered policy. It is the intent of Mechworks to set forth policies and procedures that are in complete compliance with the law. The right to change any section, subsection, or statement in this policy without prior notice is retained by Mechworks. It should be noted that the benefit programs described herein are explained in full detail in other documents.

These materials are presented, therefore, with the understanding that we are not engaged in rendering legal, accounting, or other professional services. If legal advice or other expert assistance is required, the services of a competent professional should be sought.



Receipt of Employee Handbook

The Employee Handbook (sometimes referred to as the "Handbook") is a compilation of personnel policies, practices, and procedures currently in effect at Mechworks Mechanical Contractors, Inc. (hereinafter referred to as "Mechworks, Inc." or the "Company").

This Handbook is designed to introduce employees to the organization, familiarize you with Company policies as they pertain to you as an employee, provide general guidelines on work rules, disciplinary procedures, and other issues related to your employment, and help answer many of the questions that may arise in connection with your employment.

This Handbook and any other provisions contained herein do not constitute a guarantee of employment or an employment contract, express or implied. You understand that your employment is "at-will" and may be terminated for any reason, with or without cause, and with or without notice. Only the CEO or other authorized representative(s) of Mechworks, Inc. has the authority to enter into a signed written agreement guaranteeing employment for a specific term.

This Handbook is intended solely to describe the present policies and working conditions at Mechworks, Inc. This Handbook does not purport to include every conceivable situation; it is meant as a guideline, and unless laws prescribe otherwise, common sense shall prevail. Federal, state, and/or local laws will take precedence over Mechworks, Inc. policies where applicable.



Mechworks, Inc. reserves the right to change, withdraw, apply, or amend any of its policies or benefits, including those covered in this Handbook, at any time. Mechworks, Inc. will notify you of such changes via email; posting on the Company's intranet, portal, or website; or via a printed memo, notice, amendment to, or reprinting of this Handbook. However, the Company may, in its discretion, make such changes at any time, with or without notice, and without a written revision of this Handbook.

By signing below, you acknowledge that you have reviewed a copy of Mechworks, Inc.'s Employee Handbook and understand that it is your responsibility to read and comply with the policies contained herein and any revisions made to it. Furthermore, you acknowledge that you are employed "at-will" and that this Handbook is neither a contract of employment nor a legal document.

Signature: _____ **Date:** _____

Please print your full name: _____

Please sign and date this notice and return it to Human Resources.

Retain this copy for your reference.



Table of contents

Employee Handbook

Welcome Message	1
Employment Policies	2
Equal Employment Opportunity	2
Americans and Disabilities Act	2
I-9 Immigration Reform Policy	3
E-Verify Statement	3
Background Checks	4
Orientation Period	4
Employment Practices	5
Employee Classification	5
Flexible Schedules	6
Attendance Policy	6
Time Cards	7
Pay Periods	7
Overtime Pay	7
Dress Code	8
Confidential Information	9
Conflicts of Interest	10
Improper Payments and Gifts	11



Incident Weather	11
Performance Evaluations	11
Personnel Records	11
Company Phone Policy	12
Monitoring in the Workplace	12
Employment Termination	13
Exit Interview	13
Standards of Conduct	14
Violence-Free Workplace	15
Harassment Policy	15
Complaint Policy	16
Drug-Free Workplace Policy	17
Smoke-Free Environment	18
Disciplinary Action Policy	19
Employee Benefits	20
Break Periods	20
Breastfeeding Mothers	20
Personal Time Off (PTO) Policy	20
Holidays	22
Employer-Offered Insurance	23
COBRA Benefits	23
401(k) Plan with Employer Match	24
Educational Assistance	24

Employee Handbook



Federal Family and Medical Leave	26
Military Leave Policy	31
Safety	32
Reporting Injuries & Illnesses	32
Responsibilities & Lines of Authority	33
Expectations & Incentive Programs	34
Company Vehicle Policy	35
Workers Compensation	37
Appendix	38
PTO Request Form	39
Supervisor Accident Report	40
Employee Warning Report	41
Request for Educational Reimbursement	42

Employee Handbook



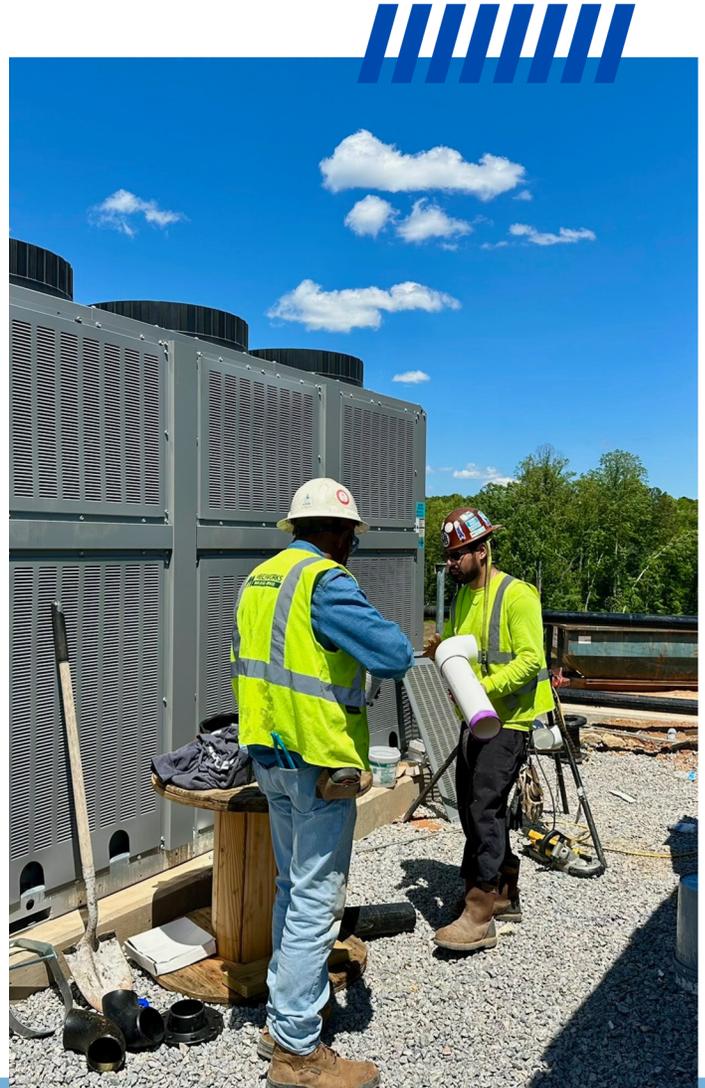
Welcome Message

This Handbook is designed to acquaint you with Mechworks, Inc. and provide you with general information about working conditions, benefits, and policies affecting your employment.

The information contained in this Handbook applies to all employees of Mechworks, Inc. Following the policies described in this Handbook is a condition of continued employment. However, nothing in this Handbook alters an employee's "at-will" status.

The contents of this Handbook do not constitute, and shall not be construed as, a promise of employment or a contract between the Company and any of its employees. This Handbook is a summary of our policies and is provided for informational purposes only.

You are responsible for reading, understanding, and complying with the provisions of this Handbook. Our objective is to provide you with a work environment that supports both personal and professional growth.



Employment Policies



Equal Employment Opportunity

It is our policy to provide equal employment opportunity to all individuals. We are committed to a diverse workforce. We value all employees' talents and support an environment that is inclusive and respectful. We are strongly committed to this policy and believe in the concept and spirit of the law.

We are committed to ensuring that:

- All recruiting, hiring, training, promotion, compensation, and other employment-related programs are provided fairly to all persons on an equal opportunity basis;
- Employment decisions are based on the principles of equal opportunity. All personnel actions—such as compensation, benefits, transfers, training, and participation in social and recreational programs—are administered without regard to any characteristic protected by state, federal, or local law; and
- Employees and applicants will not be subjected to harassment, intimidation, threats, retaliation, coercion, or discrimination because they have exercised any right protected by law.

We believe in and practice equal opportunity. The Director of Human Resources serves as our Equal Opportunity Coordinator and has overall responsibility for ensuring compliance with this policy. All employees are responsible for supporting equal opportunity and diversity and assisting the Company in meeting its objectives.

Americans with Disabilities Act

It is the policy of Mechworks, Inc. to comply with the Americans with Disabilities Act and the ADA Amendments Act of 2008.

We will ensure that all individuals with disabilities:

- Have an equal opportunity to apply for jobs and to work in jobs for which they are qualified;
- Have an equal opportunity to be promoted once employed;
- Have equal access to benefits and privileges of employment that are offered to other employees; and
- Are not harassed because of their disability.

We will not ask questions about disabilities or require medical examinations until after we have made a conditional job offer. After making a job offer, we will only ask disability-related questions and conduct medical examinations for all individuals in the same job category.

Once a person with a disability has started working, actual job performance—not the employee's disability—will be used as the indicator of the employee's ability to do the job.



Any medical information about applicants or employees will be kept confidential. Information may be confidential even if it contains no medical diagnosis or treatment course, and even if it is not generated by a health care professional. We will provide reasonable accommodations if a person with a disability needs one in order to apply for a job, perform a job, or enjoy benefits equal to those offered to other employees. We will not provide an accommodation that poses an undue hardship to Mechworks, Inc.

Once an accommodation is requested, we will discuss the employee's needs and identify an appropriate reasonable accommodation. We may request documentation explaining why the accommodation is needed.

We may ask disability-related questions and require a medical examination of an employee whose medical condition appears to be causing performance or safety problems.

If you have any questions, please contact Human Resources.

I-9 Immigration Reform Policy

Mechworks, Inc. complies with the Immigration Reform and Control Act by employing only persons who are legally eligible to work in the United States.

Mechworks, Inc. complies with the Immigration Reform and Control Act of 1986 by employing only United States citizens and non-citizens who are authorized to work in the United States. All employees are required, on their first day of employment, to provide original documents verifying the right to work in the United States and to complete the verification form required by federal law (Form I-9). If an individual cannot verify their right to work within three (3) days of hire, Mechworks, Inc. must terminate the individual's employment.

E-Verify Statement

The Department of Homeland Security (DHS) and the Social Security Administration (SSA) have established an electronic system called E-Verify to assist employers in verifying the employment eligibility of all newly hired employees.

Mechworks, Inc. uses the E-Verify system to help ensure compliance with federal immigration laws.

Through E-Verify, employers send information from your Form I-9 to SSA and DHS to confirm that you are authorized to work in the United States and that your name, Social Security number, date of birth, citizenship status, and any other non-citizen information you choose to provide on Form I-9 match government records. As an employee, you have certain rights and responsibilities.

- Employers must post a notice informing employees that E-Verify is used.
- E-Verify must be used for new hires only; it cannot be used to verify the employment eligibility of current employees.

- E-Verify must be used for all new hires regardless of national origin or citizenship status; it may not be used selectively.
- E-Verify must be used only after hire and after completion of Form I-9. Employers may not pre-screen applicants through E-Verify.
- If an employee receives an information mismatch between Form I-9 information and SSA/DHS databases, the employer must promptly provide information on how to challenge the mismatch, including a written notice generated by E-Verify.
- If an employee chooses to challenge a mismatch, the employer must provide a referral letter issued by E-Verify with specific instructions and contact information.
- Employers may not take adverse action against an employee because the employee contests an information mismatch. This includes firing, suspending, withholding pay or training, or otherwise infringing on employment.
- The employee must be given eight (8) federal government workdays to contact the appropriate federal agency to contest the mismatch.
- If an employee receives an SSA Tentative Nonconfirmation (TNC), they may visit an SSA field office to update their record. If the employee is a naturalized citizen, the employee may choose to contact USCIS directly to resolve the TNC. The phone number may be found on the SSA referral letter.

Background Checks

Mechworks, Inc. conducts background checks on all job candidates after a job offer is made. Mechworks, Inc. may use a third-party administrator to conduct background checks. Information that may be collected includes, but is not limited to: criminal background checks, DMV records, drug screening results, employment history, education, credit, and professional or personal references.

This information may also be obtained during reassignment or promotional periods.

Mechworks, Inc. will conduct background checks in compliance with applicable federal and state laws, including the Fair Credit Reporting Act. Upon request, the employee will receive a copy of the report and a description of their rights under the Act.

Orientation Period

For all employees hired by Mechworks, Inc., the first 90 days of employment will be an orientation period. During this time, the employee will undergo training and orientation as directed by the employee's supervisor. The supervisor will also monitor the employee's performance.

During the first 90 days of employment, the employee is encouraged and expected to ask questions concerning job responsibilities and to determine whether they are satisfied with the position. This is also a time for supervisors to assess each employee's suitability for the position for which they were hired.

All new employees will receive a confidential performance evaluation from their supervisor at the end of the orientation period.

Employment is “at-will” both during and after the orientation period.

Employment Practices



Employee Classification

Employees are classified as either exempt or non-exempt for pay administration purposes, as determined by the federal Fair Labor Standards Act (FLSA).

The definitions of worker classification categories can be summarized as follows:

Exempt: Management, supervisory, professional, sales, or administrative employees whose positions meet one of the FLSA exemptions are exempt from overtime pay requirements.

Non-exempt: Employees whose positions do not meet the FLSA exemption standards must be paid overtime. Employees classified as non-exempt generally work in non-supervisory, non-professional, or non-administrative capacities. Overtime work is prohibited without specific supervisor authorization. Repeated violations of this policy will result in disciplinary action. In addition, each employee’s status is defined as one of the following:

Full-time: Employees who work a minimum of 32 hours per week are considered full-time. Full-time employees are eligible for benefits after applicable requirements for length of service have been met.

Mechworks, Inc. supplements its regular workforce with temporary or part-time employees to help compensate for workload, employee absences, or other situations. Management will determine which positions are permanent part-time and which are considered temporary or seasonal.

Part-time: Employees who work less than 32 hours per week are considered part-time. Employees who work 32 hours or fewer per week, or who work on a temporary project basis, will receive all legally mandated benefits (such as workers’ compensation and Social Security benefits) but are ineligible for other benefit programs.

Temporary: Temporary employees are those engaged to work either part-time or full-time on Mechworks, Inc.’s payroll, but who are hired with the understanding that their employment will be terminated no later than completion of a specific assignment. This category includes interns and co-op students. Temporary employees may be either exempt or non-exempt but are not eligible for Mechworks, Inc. benefits except as mandated by law.

Independent Contractors: Consultants, freelancers, and independent contractors are not employees of Mechworks, Inc. The distinction between employees and independent contractors is important because employees may be entitled to participate in the Company's benefits programs, while independent contractors are not. In addition, Mechworks, Inc. is not required to withhold income taxes; withhold and pay Social Security and Medicare taxes; or pay unemployment tax on payments made to an independent contractor.

Flexible Schedules

Standard working hours for field employees are 7:00 a.m. to 3:30 p.m., Monday through Friday. Where acceptable based on project requirements, Mechworks will strive to work four 10-hour days, with work hours from 7:00 a.m. to 5:30 p.m. In these cases, hours may be adjusted for the project crew to meet project requirements. Friday work may be required to meet project deadlines. Work on Saturdays and Sundays may also be required.

Attendance Policy

Mechworks, Inc. expects every employee to be regular and punctual in attendance. This means being in the office or on the project, ready to work, at the scheduled start time each day. Absenteeism and tardiness place a burden on other employees and on Mechworks, Inc.

If you are unable to work due to illness or an accident, promptly notify your supervisor and the business office where you are employed. If your immediate supervisor is unavailable, you must speak with a manager. Leaving a message with another staff member or on voicemail does not constitute proper notification of absence. If you do not report for work and Mechworks, Inc. is not notified of your status, it will be assumed after two consecutive days of absence that you have resigned, and you will be removed from the payroll.

If you become ill at work or must leave the project for another reason before the end of the workday, inform your supervisor before leaving.

In the event of inclement weather, we remain open for business during regularly scheduled working hours. You are expected to report for work in inclement weather if it is safe to do so. If we close due to inclement weather, someone in your work group will contact you. Please keep your work group and manager informed of how to reach you on such occasions. See also the Inclement Weather Policy.

If undue tardiness or absenteeism becomes apparent, disciplinary action up to and including discharge may be required. Written and/or verbal warnings may be given.

Time Cards

Mechworks, Inc. requires all hourly employees to maintain a time card that accurately reflects hours worked. This ensures accurate pay. Timecards are maintained through an online app called BambooHR. All employees are required to maintain their hours worked through this platform daily, clocking in and out when you arrive and leave your jobsite. Service Technicians use a different online timecard app called Field Service, due to dispatching demands throughout each day.

Each employee can only enter their time and cannot enter time for others. At the end of the week, each employee will receive an automated email from BambooHR to review their timesheet. If adjustments need to be made, they can contact their field superintendent or HR.

Electronic timecards are approved by superintendents weekly.

Pay Periods

Employees of Mechworks, Inc. work a standard workweek consisting of 40 hours from 7:00 a.m. until 3:30 p.m., Monday through Friday, unless a project dictates different working hours. Mechworks Service Team Members work Monday through Friday, 8:00 a.m. until 5:00 p.m. with a lunch break. Employees are compensated on either a weekly or a monthly payroll schedule. Weekly employees are paid on the Thursday following the workweek, defined as Monday through Sunday. Monthly employees are paid on the first or fourth Thursday of each month, based on their designated payroll group.

All employee paychecks are distributed by ACH direct deposit into the employee's personal bank account. It is the employee's responsibility to provide appropriate banking information, including a voided check or banking sheet from the employee's bank. Any changes to banking information must be completed in writing (for example, changing banks or account numbers). Mechworks, Inc. will not make banking changes over the phone with an employee.

Overtime Pay

Mechworks, Inc. will compensate all hourly, non-exempt employees at one and one-half (1.5x) their regular rate of pay for all hours worked in excess of 40 hours in a workweek. The workweek begins on Monday at 12:01 a.m. and ends on Sunday at 11:59 p.m.

Holiday pay, training pay, and personal time off (PTO) pay are paid at the employee's regular hourly rate and do not count as hours worked for overtime purposes.

At times, employees may be asked to work overtime to complete necessary work tasks. The employee's supervisor will notify the employee as early as possible regarding scheduling needs. If an employee would like to work overtime, they must receive prior authorization from their supervisor before working overtime hours. Repeated violations of this policy will result in disciplinary action.



Dress Code

Your pride in yourself and as a representative of our organization is reflected in your appearance and the image you create. Because our business image is important, employees are expected to maintain standards of dress and appearance appropriate to the organization and their position. Dress, grooming, personal cleanliness, and professional conduct contribute to the professional image we present to customers and visitors. While performing duties for our organization, employees are expected to dress in attire appropriate to the business environment and to behave in a professional and businesslike manner at all times.

Due to the nature of our business and our ongoing client contact, Mechworks, Inc. has traditionally followed a more conservative business attire policy. Our dress guidelines also include a more relaxed “Business Appropriate” option, which we believe is in the best interest of Mechworks, Inc., our employees, and our clients (see below).

Employees may dress according to the requirements of their position; however, our view of business-appropriate dress is that business comes first. Employees should keep their day’s schedule in mind, as different levels of dress may be appropriate for different occasions. As a general rule, when meeting with clients, prospects, or outside visitors, traditional business attire should be worn unless it does not make good business sense. Employees should base their attire for meetings and contacts outside the office on the type of function being attended. On occasion, there may be a specific business reason to require all employees to dress in traditional business attire. In those instances, the requirement will be communicated in advance, and employees will be expected to comply.

Field employees: Employees are required to wear a shirt with the Mechworks logo. Long blue jeans or “Dickies” slacks are acceptable. Steel-toe shoes and hard hats (bill facing forward, per OSHA) must be worn at all times. Safety harnesses, safety glasses, earplugs, and gloves must be worn as required by the job and jobsite rules. All projects require a fluorescent vest or shirt to be worn at all times.

Our business appearance and image are important to us; however, we respect individual preference and choice in dress and appearance. We expect employees to use good judgment in following these guidelines. Employees must ensure their appearance is well groomed and clean and that clothing is appropriate, neat, clean, well-fitting, and in good condition. While relaxed business attire is acceptable within the stated guidelines, we want to ensure our environment maintains professionalism and productivity.

If an employee is unclear about these dress and appearance guidelines, they are encouraged to consult their supervisor and/or Human Resources. Accommodations may be made in the event of a disability or other legally protected reason. If an employee reports to work in questionable attire or appearance, the employee will be notified and counseled regarding the inappropriateness of the attire. Depending on the circumstances, the employee may be sent home and directed to return to work in proper attire. Any work time lost is expected to be made up by the employee. Continued or frequent departures from these guidelines may result in discipline, up to and including termination.

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Confidential Information and Company Property

During your employment with Mechworks, Inc., you may have access to confidential and proprietary data that is not known by competitors or within the HVAC business generally (the “**Confidential Information**”). Confidential Information includes, but is not limited to, data relating to the Company’s marketing and servicing programs, procedures, and techniques; the criteria and formula used by the Company in pricing its products and services; the structure and pricing of special packages negotiated by the Company; lists of customers and prospects; the identity, authority, and responsibilities of key contacts at Company accounts; the composition and organization of accounts’ businesses; the peculiar risks inherent in their operations; sensitive details concerning the structure, conditions, and extent of their existing products and services; contract expiration dates; commission rates; service arrangements; proprietary software, web applications, and analysis tools; and other data showing the particularized requirements and preferences of accounts. This Confidential Information constitutes a valuable asset of the Company, developed over a long period of time and at substantial expense.

To protect the Company’s interest in this valuable asset, you must:

- Not use** any Confidential Information for your personal benefit, or for the benefit of any person or entity other than the Company; and
- b. Use your best efforts to **limit access** to Confidential Information to those who have a need to know it for legitimate business purposes.

In addition, you should minimize occasions on which you take documents, computer disks, or a laptop containing Confidential Information outside the office. When it is necessary, consistent with the best interests of the Company and the effective performance of your job, to take such items outside the office, appropriate precautions and security measures must be taken to protect the confidentiality of the information.

During the course of your employment, you may be provided and/or may generate correspondence, memoranda, literature, reports, summaries, handbooks, proposals, contracts, customer lists, prospect lists, and other documents and data concerning the business of the Company. All such records and data, whether maintained in hard copy or stored electronically (including on a computer disk, hard drive, tape, or other medium), are the property of the Company, regardless of whether the materials are or contain Confidential Information.

Upon termination of employment, you are required to return all such records to the Company and may not retain any copies or make or retain notes regarding such records. To the extent permitted by law, the Company reserves the right to search for Company information and property in personal items while on Company premises (including, for example, vehicles, purses, briefcases, etc.).

Conflicts of Interest

All employees have a duty to further the Company's aims and goals and to act in the Company's best interests. Employees should not place themselves in a position where their actions or personal interests' conflict, or appear to conflict, with the interests of the Company.

Examples of potential conflicts of interest include (but are not limited to):

- Soliciting or profiting from the Company's client/prospect base or other Company assets for personal gain;
- Acting on behalf of the Company in servicing or obtaining a client and limiting the best solution for the client/prospect for personal financial gain; and
- Acting as a director, officer, employee, or otherwise for any business or institution with which the Company has a competitive or significant business relationship, without the written approval of the President.

This policy does not prohibit lawful concerted activity.

Employees should report to their manager any situation or position (including outside employment by the employee or any member of the employee's immediate household) that may create a conflict of interest with the Company.



Improper Payments and Gifts

The Company prohibits the solicitation, acceptance, offering, or payment to any person or organization of any bribe, kickback, or similar consideration of any kind, including money, services, goods, or favors (other than goods or favors that are nominal in amount and not prohibited by any federal, state, or local law).

Do not accept or give gifts, gratuities, entertainment, or favors of such value or significance that their receipt might reasonably be expected to interfere with the exercise of independent and objective judgment in making or participating in business decisions of Mechworks, Inc., or the party with whom Mechworks, Inc. is doing business.

Inclement Weather

Mechworks, Inc. is open for business unless there is a declared State of Emergency. There may be times, however, when the Company will delay opening. Use common sense and your best judgment when traveling to work in inclement weather.

If you arrive at work after the scheduled opening time due to inclement weather, the missed time may be charged to your available PTO or treated as unpaid time, consistent with Company policy and applicable law.

Performance Evaluations

Mechworks, Inc. is committed to providing both formal and informal feedback about job performance. Managers are responsible for providing ongoing performance feedback. In addition, your manager may formally discuss and document your performance on a regular basis (generally annually). In some business units, an initial performance review may be conducted within three to six months after an employee begins a new job. Please contact Human Resources if you believe an evaluation is due or would be helpful.

Your performance appraisal discussion will include a review of your strengths, identification of areas needing improvement, and goals and objectives that need to be achieved. Specific performance problems may be addressed outside the performance appraisal cycle through informal discussions or formal disciplinary action.

Formal performance feedback becomes a permanent part of your personnel file.

Personnel Records

Employee personnel files may include (but are not limited to): job application, job description, background check, resume, records of participation in training events, salary history, records of disciplinary action, and documents related to performance reviews, coaching, and mentoring. Personnel records are maintained on a current basis.



Please notify the Company immediately of any change in name, address, telephone number, marital status, dependent status, or tax status. Changes to tax status must be submitted in writing. Contact the office to request the necessary forms.

Personnel records are kept highly confidential and are not available to anyone outside of the Company unless you have authorized the release, the release is to an authorized governmental agency, or the release is required by law. To obtain access to your records, contact Human Resources.

Company Phone Policy

Business Phone Calls

A great majority of our business is conducted over the phone, making telephone techniques extremely important. A friendly but businesslike telephone manner should always be projected. When you are away from your work area, forward your phone to the appropriate extension.

Personal Phone Calls

We recognize that personal phone calls may occasionally need to be made or received during business hours. Such calls should be kept to a minimum so that they do not interfere with workflow.

Personal Cellular Phone Calls

To provide an optimum work environment, employees are expected to have their cell phones turned off or silenced during work hours. Ringing cell phones are a distraction to coworkers and can interfere with productivity. Cell phones should be used only during breaks/lunch and outside of the office, except in circumstances requiring immediate/emergency attention.

Voicemail

Voicemail helps maintain high-quality service for clients and increases office efficiency. Voicemail is available as an option to callers; calls will not be routed directly to voicemail. Employee greetings should be updated regularly (daily is recommended), kept brief, and communicate availability to clients.

Monitoring in the Workplace

Employees should not expect privacy in anything they create, store, send, or receive on the Company's computer system, telephone system, Company-provided cell phones, Company-provided PDAs, or other communication devices. These systems are to be used for business purposes.

Mechworks, Inc. may monitor communications for training purposes; to ensure that contacts with customers and potential customers are professional and respectful; and to ensure that employees are not using Company systems inappropriately.

The Company may also perform video surveillance as it deems necessary for safety, to prevent theft, harassment, and other inappropriate behavior in the workplace.

Any evidence of illegal acts may be reported to the appropriate authorities. Employees may be subject to discipline, up to and including termination, for violations of Company policies as evidenced by monitoring of communications and work areas.

Employment Termination

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

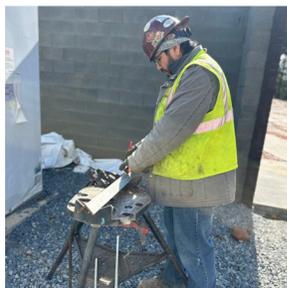
- **Resignation** – voluntary employment termination initiated by an employee.
- **Termination** – involuntary employment termination initiated by Mechworks, Inc.
- **Layoff** – involuntary employment termination initiated by Mechworks, Inc. for non-disciplinary reasons.
- **Absences** – unexcused absences without notice or excuse that extend for three consecutive workdays without notification to the business office.
- **Extended family or medical leave** over 90 or 180 days (depending upon the type of leave taken) – termination may occur to allow employee access to COBRA benefits for continuing insurance coverage.

If you wish to resign, you are requested to notify your manager of your anticipated departure date in writing at least two weeks in advance. As much notice as possible is appreciated by Mechworks, Inc. and your coworkers. Failure to provide notice may affect eligibility for rehire. Upon issuance of your final check, deductions will be made for any outstanding financial obligations owed to Mechworks, Inc. that the employee authorized to be deducted from pay.

Exit Interview

A meeting between you and your immediate manager will take place prior to your last day of work. Information about continuation of health insurance benefits under COBRA will be sent by mail to eligible employees.

Office and truck keys, storage keys, Company equipment and tools, and building passes must be returned at this time. Final paychecks will be held by the Morehead City office until all items are returned.



Standards of Conduct

The work rules and standards of conduct for Mechworks, Inc. are important, and the Company regards them seriously. Employees are expected to become familiar with these rules and follow them faithfully while performing their jobs and conducting Company business. Any employee who deviates from these rules and standards may be subject to disciplinary action, up to and including immediate termination of employment.

While not intended to list every form of unacceptable behavior, the following are examples of rule infractions or misconduct that may result in disciplinary action, up to and including immediate termination. These examples are not intended to limit the Company's at-will policy.

Examples include (but are not limited to):

- Theft or inappropriate removal or possession of property
- Falsification of timekeeping records
- Working under the influence of alcohol or illegal drugs
- Possession, manufacture, distribution, sale, transfer, dispensation, or use of alcohol or illegal drugs in the workplace
- Fighting or threatening violence in the workplace
- Immoral actions or intimidation of others
- Boisterous or disruptive activity in the workplace
- Negligence or improper conduct leading to damage of Company-owned or customer-owned property
- Insubordination or other disrespectful conduct
- Violation of safety or health rules
- Smoking in the workplace
- Sexual or other unlawful or unwelcome harassment or touching
- Excessive absenteeism or any absence without notice
- Unauthorized use of telephones or other Company-owned equipment
- Using Company equipment for purposes other than business (e.g., playing games on computers, personal internet use, or using Company tools for non-project-related work)
- Unauthorized disclosure of business "secrets" or Confidential Information
- Violation of personnel policies
- Unsatisfactory performance or conduct

These rules apply to interactions with customers, fellow employees, and anyone else associated with the workplace.



Violence-Free Workplace

Mechworks, Inc. is committed to providing a workplace that is safe and free from threatening and intimidating conduct. The Company will not tolerate violence or threats of violence of any form in the workplace or at work-related functions. This policy applies to employees and any other person under the control of Mechworks, Inc.

It is a violation of this policy to engage in verbal or physical conduct that intimidates, endangers, or creates the perception of intent to harm persons or property. Examples include, but are not limited to:

- Physical assaults or threats of physical assault, whether made in person or by other means (e.g., in writing, by phone, fax, or email)
- Verbal conduct that is intimidating and has the purpose or effect of threatening the health or safety of a coworker
- Possession of firearms or any other lethal weapon on Company property; in a vehicle being used on Company business; in any Company-owned or leased parking facility; or at a work-related function
- Any other conduct or acts that management believes represent an imminent or potential danger to workplace safety or security

Anyone with questions or complaints about workplace behaviors under this policy may discuss them with a supervisor or a Human Resources representative. Mechworks, Inc. will promptly and thoroughly investigate reported occurrences or threats of violence.

Violations of this policy will result in disciplinary action, up to and including immediate termination. Where such actions involve non-employees, Mechworks, Inc. will take action appropriate to the circumstances. Where appropriate, the Company will also take lawful action necessary to stop the conduct and protect employees and property.

Harassment Policy

Mechworks, Inc. is committed to providing a work environment that is free from harassment. The Company will not tolerate harassment based on age, race, gender, color, religion, national origin, disability, marital status, covered veteran status, sexual orientation, status with respect to public assistance, or any other characteristic protected under applicable federal, state, or local law. Such conduct is prohibited in any form in the workplace or at work-related functions. This policy applies to all employees and anyone under the control of Mechworks, Inc.

Sexual Harassment

Sexual harassment is one type of prohibited harassment. Sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

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

Examples of prohibited conduct include, but are not limited to:

- Unwelcome sexual flirtation, advances, or propositions
- Verbal comments related to an individual's age, race, gender, color, religion, national origin, disability, or sexual orientation
- Explicit or degrading verbal comments about another individual or their appearance
- Display of sexually suggestive pictures or objects in any workplace location, including transmission or display via computer
- Sexually offensive or abusive physical conduct
- Taking (or refusing to take) personnel action based on an employee's submission to or rejection of sexual overtures
- Displaying cartoons or telling jokes relating to protected characteristics

If you believe you are being subjected to workplace harassment, you should:

1. Tell the harasser that their actions are not welcome and must stop, if you feel comfortable doing so.
2. Report the incident immediately to your supervisor/manager, the site Human Resources representative, or the Human Resources Department.
3. Report any additional incidents or retaliation to one of the resources above.

All reports will be investigated promptly and thoroughly. Complaints and actions taken to resolve complaints will be handled as confidentially as possible, consistent with the Company's obligation to investigate and act.

Retaliation against an employee who reports harassment or cooperates in an investigation is prohibited. Violations of this policy, including retaliation, may result in disciplinary action up to and including immediate termination.

Complaint Policy

Mechworks, Inc. expects all employees to help create an atmosphere free of discrimination and to respect the rights of coworkers.

If an employee experiences job-related discrimination or harassment based on race, color, religion, gender, sexual orientation, national origin, age, disability, marital status, amnesty, veteran status, or any other protected activity or status—or believes they have been treated unlawfully or harassed—report the incident promptly to a supervisor. If the employee believes it is inappropriate to discuss the matter with their supervisor, the report should be made directly to Human Resources.

Once the Company is made aware of a complaint, Mechworks, Inc. will begin an immediate and thorough investigation. Complaints will be kept confidential to the maximum extent possible.

If, at the completion of an investigation, Mechworks, Inc. determines an employee engaged in discriminatory or harassing behavior, appropriate disciplinary action will be taken.

The Company prohibits retaliation against any employee for filing a bona fide complaint or assisting in an investigation. However, if the Company determines an employee intentionally provided false information during an investigation, disciplinary action may be taken.

Drug-Free Workplace Policy



Alcohol and drug abuse can create health, safety, and security risks. Employees are expected to assist in maintaining a work environment free from the effects of alcohol, drugs, and other intoxicating substances. Compliance with this substance abuse policy is a condition of employment.

Employees are prohibited from the following when reporting for work; while on the job; on Company or customer premises or surrounding areas; or in any vehicle used for Company business:

- The unlawful use, possession, transportation, manufacture, sale, dispensation, or distribution of an illegal or controlled substance or drug paraphernalia
- The unauthorized use, possession, transportation, manufacture, sale, dispensation, or distribution of alcohol
- Being under the influence of alcohol or having a detectable amount of an illegal or controlled substance in the blood or urine (a “controlled substance” means a drug or other substance as defined in applicable federal laws on drug abuse prevention)

Any employee violating these prohibitions may be subject to disciplinary action up to and including termination.

Any employee convicted under any criminal drug statute for a violation occurring while on the job, on Company or customer premises, or in any vehicle used for Company business must notify the Company no later than five (5) days after such conviction. A conviction includes any finding of guilt, plea of no contest, and/or imposition of a fine, jail sentence, or other penalty. Employees suffering from alcohol or drug dependence may seek treatment. The Company encourages employees to seek professional care and counseling prior to any violation of this policy.

Drug Testing Procedure

Employees may be asked to submit to a medical examination and/or testing of urine, saliva, breath, sweat, and/or hair for drugs or alcohol. Information obtained through such examination may be retained by Mechworks, Inc. and is the property of Mechworks, Inc.

Mechworks, Inc. reserves the right, within the limits of federal and state laws, to require testing for the presence of drugs and/or alcohol in situations including, but not limited to, the following:

Post-Job Offer

All offers of employment are contingent upon satisfactory drug test results. Applicants may be required to submit to a urinalysis and sign an acknowledgment form releasing Mechworks, Inc.

from liability. The Company will not discriminate against applicants for past drug abuse; current drug abuse that interferes with job performance may disqualify an applicant.

Post-Accident

Drug and/or alcohol testing will be conducted on employees involved in accidents occurring during work time or on Company property. Covered accidents include, but are not limited to, accidents the employee caused or contributed to that involve:

- Personal injury to employees or others requiring medical attention (beyond first aid) or resulting in lost work time; and/or
- Damage to Company property.

Employees are expected to be available for post-accident testing. If circumstances require an employee to leave the accident scene, the employee must make a good-faith effort to be tested and notify the Company of their location.

Failure to report an accident that meets post-accident testing criteria is a violation of Company policy and may result in disciplinary action. Employees who test positive may, under certain state laws, be ineligible for workers' compensation benefits.

Reasonable Suspicion

An employee may be required to submit to drug and/or alcohol testing when reasonable cause exists to believe the employee's health or ability to perform expected job duties is impaired.

Random

At various times during the year, employees may be randomly selected to submit to drug and/or alcohol testing.

For additional information regarding drug testing procedures, contact the Human Resources Department.

Smoke-Free Environment

The Company's goal is to maintain a smoke-free environment. Smoking is not permitted at any time in Mechworks, Inc. work areas, including Company vehicles or customer/client areas.

If smoking is permitted outside the building, smokers must be considerate of coworkers, customers, and members of the public. Employees should help maintain clean entryways by depositing cigarettes in appropriate containers and staying far enough away from doors to prevent smoke from entering the building.

Employees who smoke must observe the same guidelines as non-smokers regarding the frequency and length of break periods.

Disciplinary Action Policy

Mechworks, Inc. reserves the right to terminate an employee at any time for any lawful reason, with or without prior disciplinary counseling or notice. Nothing in this Handbook or any other Company document is intended to:

- Modify at-will employment;
- Promise progressive discipline or disciplinary counseling; or
- Promise notice in circumstances where Mechworks, Inc. determines immediate discipline or termination is appropriate.

Disciplinary action may include verbal warnings, written warnings, final warnings, suspension, or termination. The Company may use any or all of these steps, and not all steps will be followed in every circumstance. The Company reserves the right to exercise discretion in discipline. If discipline is issued in writing, copies will be placed in the employee's personnel file. In addition to situations addressed elsewhere in this Handbook, examples of conduct that may result in immediate termination include (but are not limited to):

- Discourtesy to a customer, provider, or the general public resulting in a complaint or loss of goodwill
- Refusal or failure to follow directives from a supervisor, manager, or Company officer
- Breach of confidentiality relating to employer, employee, customer, or provider information
- Altering, damaging, or destroying Company property or records, or another employee's property
- Dishonesty
- Providing false or misleading information to any Company representative or on Company records (including employment applications, benefit forms, time cards, expense reimbursement forms, etc.)
- Fighting or engaging in disorderly conduct on Company or customer premises
- Violations of Company policies, including (but not limited to) confidentiality, security, solicitation, insider trading, conflict of interest, and code of conduct
- Serious conduct or performance issues
- Failure of a drug or alcohol test, or refusal of a random drug screen as required by the Drug-Free Workplace Policy



Employee Benefits

Break Periods

Lunch Periods

Employees are allowed an unpaid 30-minute lunch break. Lunch breaks are generally taken between 11:30 a.m. and 12:30 p.m. Meal period schedules will be established based on work requirements at each location. Staggered meal periods may be necessary in customer service locations. Supervisors must ensure each location is adequately staffed and that someone with authority to resolve minor problems is available at all times.

Employees may not work through lunch to make up time unless supervisor approval is obtained (such occurrences should be infrequent). Employees may not work through lunch in order to leave the jobsite early. Continued violations may result in disciplinary action.

Rest Periods

Two paid rest periods of 15 minutes each should be permitted each day. The schedule for breaks depends on the needs of each office/location.

Rest periods are considered time worked, and employees will be compensated for such periods.

Breastfeeding Mothers

Mechworks, Inc. supports the health and well-being of working mothers and their children. As part of this policy, and in compliance with the Patient Protection and Affordable Care Act of 2010, Mechworks, Inc. will provide eligible employees with:

- Reasonable break periods to express milk during the first year following the birth of a child;
- A private area, other than a restroom, where the employee may express milk and be shielded from view and free from intrusion; and
- Appropriate storage areas for pumps and other equipment, as well as expressed milk.

Employee Responsibilities

- Notify your supervisor before taking a break.
- Clock out when taking a break period, as this is not compensable time.
- Label expressed milk with your name and the date it was expressed.
- Keep the breastfeeding area clean and tidy.

Paid Time Off (PTO) Policy

Overview

Mechworks provides Paid Time Off (PTO) to support the well-being of our employees. PTO is paid leave that employees may use for any reason, including:

- Sick leave
- Personal leave

- Vacation
- Medical or personal appointments
- Family needs
- Jury duty
- Other time away from work



PTO offers employees flexibility and eliminates the need to distinguish between sick time, vacation, and other types of leave.

PTO Award by Years of Service

Beginning January 1 each year, employees receive PTO based on their years of continuous service with Mechworks:

Years of Service	Annual PTO Award
1-5 years	80 hours (2 weeks)
5-10 years	120 hours (3 weeks)
10+ years	160 hours (4 weeks)

PTO balances reset on January 1 each year. PTO does not carry over into the next year. Employees who do not use their full PTO award during the calendar year may receive a maximum payout of 40 unused hours at year-end.

First Year of Employment (New Hire PTO Eligibility)

New employees become eligible to use PTO during their first year of employment. Eligibility and PTO amounts depend on the employee’s start date.

A. General First-Year Rules

- PTO becomes available after the employee reaches the stated milestone (90 days or 6 months).
- All first-year PTO awards apply only during the employee’s first calendar year, unless employment starts in the last quarter of the calendar year.
- On January 1 of the following year, the employee enters the standard PTO schedule and receives 80 hours (2 weeks) of PTO.

First-Year PTO Award Structure by Hire Date

A. Employees hired between January 1 and June 30:

- At 90 days (3 months): Earn 40 hours (1 week) of PTO.
- At 6 months: Earn an additional prorated week (up to 40 hours) of PTO based on the remaining time in the year.
- On the following January 1: Receive 80 hours (2 weeks) for the new year.

B. Employees hired between July 1 and September 30:

- At 90 days (3 months): Earn 1 prorated week (up to 40 hours) of PTO.
- On the following January 1: Receive 80 hours (2 weeks) for the new year.

- C. Employees hired between October 1 and December 31:
- At 90 days (3 months): Earn 40 hours (1 week) of PTO in the new year.
 - At 6 months: Earn an additional 40 hours (1 week) of PTO.
 - On the employee's second January 1 with Mechworks: Receive 80 hours (2 weeks).

Using PTO

- The employee's supervisor must approve PTO for all planned absences.
- Requests for planned PTO should be submitted in advance through Bamboo.
- PTO may be used in hourly or full-day increments.

Emergency PTO does not require prior approval. Examples include:

- Personal illness
- Illness of an immediate family member
- Death of a relative

Unscheduled PTO for illness or emergencies should be reported to the employee's supervisor as soon as practical. The employee is still required to enter their time off into Bamboo.

PTO Payout and Separation from Employment

Employees may receive payment for up to a maximum of 40 hours of unused PTO at the end of each calendar year. Unused PTO will be paid out in the last quarter of the year.

Mechworks provides PTO as a gifted annual benefit and not as earned or accrued wages. For this reason, unused PTO will not be paid out upon separation from employment, regardless of the reason for termination.

Clarifications

PTO is considered paid leave for all allowed uses. Mechworks does not provide separate categories such as sick leave or vacation; all time off is contained within the PTO system.

Holidays

The following is a list of **paid holidays** for **full-time employees** of Mechworks, Inc.:

- New Year's Day
- Memorial Day
- Independence Day (July 4)
- Labor Day
- Thanksgiving Day
- Christmas Day

There is a 90 day waiting period to receive holiday pay from date of hire for all employees.



Employer Offered Insurance

Mechworks, Inc. offers group health, dental, and vision insurance plans to all full-time employees. Coverage is offered on an individual or family plan. Mechworks, Inc. pays 70% of the monthly employee premium. Any additional premium for dependent coverage is the responsibility of the employee. Accordingly, the employee pays 30% of the monthly individual premium and 100% of any dependent coverage elected, through payroll deductions. The only insurance that Mechworks, Inc. pays 100% of the monthly premium is the vision insurance.

Elective insurance coverage begins on the first day of the first month following 30 days of full-time employment. Employees who wish to enroll after 30 calendar days of full-time employment may do so at that time. Current part-time employees who become full-time employees will be notified by Human Resources when they are eligible to enroll.

As a result of termination, a reduction in work hours, injury or illness, or in the event an employee is on military leave, jury duty, or another leave of absence, an employee may be eligible to continue Mechworks, Inc.'s group coverage by paying a monthly premium. If the employee satisfies eligibility requirements for coverage continuation and is terminated; has work hours reduced; is on a leave of absence for a work-related injury or illness; or is on an approved military leave, COBRA continuation coverage may be available. Refer to plan documents for details.

Group insurance is offered as an employee benefit; employees are not required to enroll. There will be no increase in wages if an employee waives coverage. For questions, contact the Human Resources Department.

COBRA Benefits

Mechworks, Inc. complies with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), as amended. Covered employees and their dependents who lose insurance coverage for any of the following reasons may be eligible to continue coverage through COBRA:

- Termination of employment
- Reduction in working hours
- Divorce or legal separation
- Death of the employee
- Eligibility for Medicare
- Loss of dependent child status under the insurance plan

All administrative rules and processes, as well as changes in plan benefits and premiums, apply to COBRA continuation coverage.

In the event of divorce or legal separation, or the loss of dependent child status under the plan, a covered employee or dependent must notify Human Resources within 60 days to maintain the right to continue coverage. Human Resources will provide enrollment materials to the employee or covered dependent within 14 days of that notification.

The covered employee or dependent has 60 days to elect continuation coverage from either: (1) the date coverage would ordinarily have ended due to a qualifying event, or (2) the date of notification, whichever is later.

Election of continuation coverage is established by completing and returning the enrollment materials to Human Resources.

COBRA premiums will be billed by the applicable insurance provider. The first premium will be due within 45 days of the date of election. Subsequent premiums must be received within the timeframes set forth by the provider. Failure to make timely payments will result in termination of coverage without notice.

Continuation of COBRA coverage will end for any of the following reasons: the Company discontinues its insurance plan; premium payments are not made in a timely manner; or the individual who elected continuation coverage becomes covered under another insurance plan or Medicare.

Continuation coverage generally ends after 18 months if the qualifying event was termination or reduction in hours, unless the qualified beneficiary is disabled at the time of termination or reduction in hours, in which case coverage may extend to 29 months. Continuation coverage will otherwise end after 36 months.

401(k) Plan Offered with Employer Match

Mechworks, Inc. offers a 401(k) retirement plan with Edward Jones Company and MassMutual Financial Group. Employees may choose to participate after one full year of full-time employment. Open enrollment periods are held twice per year: January and July.

Mechworks, Inc. matches employee contributions up to 4% of the employee's gross salary. Deductions are made weekly, and the match is remitted weekly to MassMutual Financial Group within seven (7) days of the payroll date. Investment selections are made by the employee, and matching funds are invested using the same percentage allocation selected by the employee.

Educational Assistance

Mechworks, Inc. is committed to developing and maintaining a high-performance workforce and encourages employees to continue developing the knowledge and skills necessary to succeed in their jobs and provide optimum service to customers.

Purpose

This program provides financial assistance for approved courses, continuing education credits, certifications, and licensing to support employee development in ways that benefit both the employee and the Company. Scholarships are available and must be requested and approved in advance

Qualifications

Employees must be active full-time or part-time regular employees. All educational opportunities must be approved in advance by the employee's manager.

Technical Licensing and Continuing Education Credits

An HVAC license is required for several positions within Mechworks, Inc. Employees are responsible for maintaining licensing requirements. The Company assists as follows:

With advance approval, expenses or reimbursement for expenses may be covered at 100% for initial licensing if the license is required for the individual's current position or if the Company agrees it is part of the individual's planned career path within the organization. Any education expenses must be approved in advance by the President and/or division manager.

Mechworks, Inc. offers continuing education courses on-site throughout the year for employee convenience. In some instances, with advance approval, continuing education credits may be obtained through outside vendors, clients, colleges, or universities. Approval will be determined based on the value of course content and whether the employee is taking advantage of self-study and in-house training methods.

Approval Procedure

The employee must apply in writing using the **"Application & Request for Educational Scholarship"** form and submit it to the department manager and Human Resources for approval **before** the course begins. Upon approval, Human Resources will send the approved form to the employee.

Reimbursement Procedure

After completing approved coursework, the employee must submit the **"Application & Request for Educational Reimbursement"** form along with evidence of satisfactory completion and receipts for tuition expenses. Documentation should be forwarded to Human Resources for processing.

Termination

If an employee voluntarily terminates employment within 18 months after receiving reimbursement under this program (except for costs related to continuing education credits), the employee must repay all or part of the educational assistance.

Repayment is required in the amount of one-eighteenth (1/18) for each of the eighteen (18) or fewer months remaining after termination. For example, an employee who terminates six (6) months after receiving tuition assistance is forgiven six-eighteenths (6/18), or one-third, of reimbursed expenses but must repay the remaining balance.

The employee agrees that any balance owed may be withheld from final pay with prior written permission, or will be paid immediately upon termination. Repayment is not required if the employee is terminated by a project manager.



Additional Guidelines

Courses or training under this program should normally occur outside of working hours. The Company reserves the right to be selective in approving educational assistance, based on business needs, department budget, and the specific training pursued. Initial approval does not obligate the Company to approve future courses.

This program does not include costs associated with seminars/courses where attendance is required. Reimbursement is provided upon satisfactory completion of approved courses/training. However, for certification programs where costs are required up front, the Company may consider direct payment of some or all portions before training begins.

The Company may deny approval due to business needs, including the need to work flexible or longer hours, or where employee performance has been or could become unsatisfactory.

Federal Family and Medical Leave

As an employee of Mechworks, Inc., you may be eligible to take unpaid family and/or medical leave under federal law, the Family and Medical Leave Act (**FMLA**).

Definitions

“Spouse” – A husband or wife as defined or recognized under state law for purposes of marriage in the state where the employee resides.

“Parent” – A biological parent or an individual who provides or provided day-to-day care and financial support to the employee when the employee was a child. This includes a foster parent, adoptive parent, stepparent, and legal guardian. “Parent” does not mean a parent-in-law.

“Child” – A biological, adopted, or foster child; stepchild; legal ward; or, under the federal FMLA, a child of a person having day-to-day care and financial responsibility for the child. “Child” includes a person 18 years of age or older who is incapable of self-care because of a mental or physical disability.

“Incapable of self-care”

A child requires active assistance or supervision to provide daily self-care in three (3) or more “activities of daily living” or “instrumental activities of daily living,” including adaptive activities such as grooming and hygiene, bathing, dressing, and eating, or instrumental activities such as shopping, taking public transportation, maintaining a residence, etc.

“Physical or mental disability”

A physical or mental impairment that substantially limits one or more major life activities of the individual.

“Serious Health Condition”

An illness, injury, impairment, or physical or mental condition that involves:

- Inpatient care in a hospital, hospice, or residential medical care facility;
- A period of incapacity of more than three (3) consecutive calendar days (including any subsequent treatment or period of incapacity relating to the same condition) that also involves:
 - a. treatment two or more times by or under the orders of a health care provider; or

- a. treatment by a health care provider on at least one occasion that results in a regimen of continuing treatment under the supervision of a health care provider;
- Any incapacity due to pregnancy or for prenatal care;
- Chronic conditions requiring periodic treatment by or under the supervision of a health care provider, continuing over an extended period of time, and potentially causing episodic rather than continuing periods of incapacity (e.g., asthma, diabetes, epilepsy, etc.);
- Permanent/long-term conditions requiring supervision for which treatment may not be effective (e.g., Alzheimer's, a severe stroke, or the terminal stages of a disease); or
- Multiple treatments by or under the supervision of a health care provider for restorative surgery after an accident or injury, or for a condition that would likely result in a period of incapacity of more than three (3) calendar days in the absence of medical intervention or treatment, such as cancer (chemotherapy), severe arthritis (physical therapy), or kidney disease (dialysis).

Eligibility

To be eligible for leave, you must have been employed by the Company for at least 12 months. In addition, during the 12 months immediately preceding the beginning of the leave, you must have worked at least 1,250 hours. You must also work in an office or work site where 50 or more employees are employed within 75 miles of that office or work site.

Amount of Leave Available

Eligible employees are generally eligible for up to a total of 12 weeks (or 26 weeks under certain circumstances) of protected leave within a rolling twelve-month period, measured backward from the date an employee uses any federal leave for any combination of reasons. Under the federal FMLA, spouses employed by the Company are jointly entitled to a combined total of 12 weeks of family leave for the birth or placement of a child for adoption or foster care, and to care for a parent who has a serious health condition. (The federal FMLA does not cover care for a parent-in-law.)

Types of Leave Available

Birth or Placement for Adoption or Foster Care

Family leave is available to eligible employees for the birth of a child or for placement of a child with the employee for adoption or foster care. Federal leave must be completed within 12 months of the birth or placement.

- **Non-continuous leave:** Federal leave may not be taken intermittently. See below for more details on intermittent leave.
- **Certification process:** The need for leave must be documented by your treating health care provider through the medical certification process (see below) or by documented proof of placement of a child.

Serious Health Condition of Employee

If you experience a serious health condition, you may take medical leave under this policy. A serious health condition generally occurs when you:

- Receive inpatient care in a hospital, hospice, or nursing home;
 - Suffer a period of disability accompanied by continuing outpatient treatment/care by a health care provider; or
 - Have a history of a chronic condition that may cause episodes of disability.
- **Non-continuous leave:** Medical leave may be taken all at once or, when medically necessary, intermittently (see below).
 - **Certification process:** The need for leave must be documented by your treating health care provider through the medical certification process (see below).
 - **Fitness-for-duty statement:** A fitness-for-duty statement is required to return from medical leave. Failure to provide the statement will delay your return to work.



Serious Health Condition of Immediate Family Member

If you need family leave to care for your son, daughter, spouse, or parent who has a serious health condition, you may take leave under this policy.

- **Non-continuous leave:** Leave may be taken all at once or, when medically necessary, intermittently (see below).
- **Certification process:** The need for leave must be documented by the family member's treating health care provider through the medical certification process (see below).

Qualifying Exigency

If you need family leave to care for your spouse, son, daughter, or parent who is a covered military member on active duty in support of a contingency operation, you may take family leave under this policy. (This may qualify you to take up to 26 weeks of leave.)

- **Non-continuous leave:** Leave may be taken all at once or, when medically necessary, intermittently (see below).
- **Certification process:** The need for leave must be documented by the family member's treating health care provider through the medical certification process (see below).

Covered Service Member

If you need family leave to care for your son, daughter, spouse, or parent who is a service member and who has a serious health condition, you may take medical leave under this policy. (This may qualify you to take up to 26 weeks of leave.)

Notifying the Company of the Need for Family or Medical Leave

An application for leave must generally be completed for all leave taken under this policy. Non-emergency leave should generally be requested from Human Resources at least 30 days in advance, or as soon as practicable.

In emergencies, verbal notice should be given as soon as possible (or by your representative if you are incapacitated), and the application should be completed as soon as practicable. Failure to provide adequate notice may result in a delay or denial of leave where permitted by law. It is your responsibility to notify your manager and Human Resources of absences that may be covered by FMLA.

You must provide sufficient information regarding the reason for an absence for the Company to determine whether protections may apply under this policy. Failure to provide this information within two (2) working days of your return to work may result in forfeiture of rights under this policy. The absence may then be counted against your record for discipline purposes (attendance, etc.).

Medical Certification Process

In addition to an application for leave, you must complete a medical certification form when leave is requested for your own serious health condition or a family member's serious health condition. The certification must be signed by a health care provider. Short-term disability certification may be sufficient where the required information is duplicative.

These forms are available from Human Resources. Second or third certifications and periodic recertification (at the Company's and/or your expense) may be required under certain circumstances.

The Company may also require periodic reports during FMLA leave regarding your status and intent to return to work.

Substituting Paid Leave for Unpaid Leave

Federal FMLA leave is unpaid. The Company requires you to substitute PTO/paid leave according to the schedule below. You may also choose to substitute additional paid or unpaid leave you have accrued.

Eligible PTO/paid leave remaining	Required substitution
Less than 5 days	None
5-8 days	3 days
9-12 days	5 days
13-16 days	7 days
17-20 days	9 days

When an employee is absent due to a work-related illness or injury that meets the definition of a serious health condition, the absence will be counted against the employee's entitlement under

this policy. In other words, the employee uses FMLA leave concurrently with the workers' compensation absence. An employee is not required to substitute paid time off for an absence covered under workers' compensation.

You may be paid for all or part of medical leave to the extent you are eligible for benefits such as short-term disability.

Non-Continuous Leave

Intermittent and/or reduced schedule leave will be permitted only when medically necessary and permitted as explained above. In all cases, the total amount of leave taken in a calendar year must not exceed your total allotment as defined earlier in this policy.

Intermittent and reduced schedule leave must be scheduled to minimize disruption to an employee's job. To the extent the employee or family member has control, medical appointments and treatments should be scheduled outside working hours or at times that minimize time away from work.

If you request foreseeable, non-continuous FMLA leave based on planned medical treatment for purposes of providing care to a child, spouse, or parent with a serious health condition, or for your own serious health condition, you may be temporarily transferred to an available alternative position for which you are qualified and that better accommodates recurring periods of leave. You will be entitled to equivalent pay and benefits, but you may not be assigned the same duties as your regular position.

Benefit Continuation During Leave

The Company will maintain group health insurance coverage and other employment benefits (such as group life insurance, AD&D, health and dependent flexible spending accounts, etc.) for you while on FMLA leave, whenever such insurance was provided to you before leave and on the same terms as if you had continued to work. You must pay your regular portion of insurance premiums. Contact Human Resources for details.

Benefits accumulated based on hours worked will not accumulate during FMLA leave. In some instances, the Company may recover premiums it paid to maintain health insurance coverage for an employee who fails to return to work from FMLA leave.

Returning to Work

If the reason for FMLA leave is your own serious health condition, you must present a fitness-for-duty certification immediately upon return to work.

If you wish to return to work before the scheduled expiration of FMLA leave, notify the Company as soon as possible, but no later than two (2) working days prior to your desired return date.

An employee who fails to return to work immediately after the expiration of the leave period may be considered to have voluntarily terminated employment.

Rights Upon Return From Leave

Upon return from family or medical leave, you will be returned to the position you held immediately prior to leave if the position is vacant, subject to certain exceptions for key employees as defined by law. If the position is not vacant, you will be placed in an equivalent position with equivalent pay, benefits, and other terms and conditions of employment.

If you exhaust all leave under this policy and remain unable to return to work, your situation will be reviewed to determine what rights and protections may exist under other Company policies.

The law provides that an employee has no greater rights upon return from leave than the employee would have had if the employee had continued to work. Therefore, you may be affected by a layoff, termination, or other job change if the action would have occurred had you remained actively at work.

If you do not qualify for leave under this policy, the Company may approve a personal leave of absence depending on your circumstances. Except where mandated by law, the Company cannot guarantee that benefits will continue or that your position will remain open during your absence.

This policy provides an introduction to rights and provisions under the federal FMLA. Questions should be directed to Human Resources.

Military Leave Policy



Leave for Annual Training

Employees who are members of the U.S. Army, Navy, Air Force, Marines, or Coast Guard Reserves, or the National Guard, may be granted leaves of absence to participate in reserve or National Guard training programs.

Employees will be granted the minimum amount of leave needed to meet the minimum training requirements of their units. No employee is required to use vacation/PTO for military duty. However, employees who elect to schedule vacation/PTO to coincide with military duty will receive their full regular vacation/PTO pay in addition to any military pay.

Leave for Active Reserve or National Guard Duty

Permanent employees who are members of the U.S. Army, Navy, Air Force, Marines, or Coast Guard Reserves, or the National Guard, may be granted leaves of absence to participate in active-duty tours.

Employees will be granted leave as required to complete the tour of duty, for up to five (5) years of cumulative uniformed service-related absences. Some exceptions may apply and may be exempt from counting toward this five-year total.

Employees with leaves of less than 31 days must report back to work by the beginning of the first regularly scheduled work period after the end of the last calendar day of duty, plus the time required to return home safely and receive an eight-hour rest period.

Employees with leaves between 31 and 180 days must apply for re-employment no later than fourteen (14) days after completion of uniformed service.

Employees with leaves longer than 180 days must apply for re-employment no later than ninety (90) days after completion of uniformed service.

Safety

It is the intent of Mechworks Mechanical Contractors, Inc. to provide and maintain a place of employment free of general workplace hazards and to be in compliance with the law, OSHA standards, and U.S. Army Corps of Engineers Handbook EM 385-1-1 (current edition). It is our goal to select and hire personnel who are physically, medically, and emotionally qualified to perform the duties to which they are assigned.

Mechworks is committed to making available and providing all equipment, tools, personal protective gear, supervision, management, and training necessary to ensure the safety and health of employees. No employee shall be required or instructed to work in surroundings or under conditions that are unsafe or dangerous to their health. Each employee is responsible for complying with Company and OSHA safety requirements and preventing avoidable accidents. Employees are also expected to make sound judgments and decisions—based on experience and available instructional material—regarding safety and health matters for themselves and their coworkers.

Safety and health, as they affect employees and customers, are the Company's number one priority.

Reporting Injuries & Illnesses

We often take safety for granted in an office environment. Although we may not be exposed to the same degree of risk as a typical manufacturing firm or health care facility, safety risks are still present. Safety is everyone's responsibility at Mechworks, Inc.

Procedures

All work-related injuries and illnesses must be reported immediately to your manager or the Human Resources Department, even if you are not sure whether the injury/illness is work-related. Even small injuries left untreated can result in more serious conditions.



Your manager (or a designated alternate) will complete an accident report. When injuries are reported immediately, accidents can be investigated promptly and corrective action can be taken to prevent recurrence.

If an ambulance is not required, have a competent person transport the employee to a primary or secondary caregiver as needed, and ensure that an alcohol and drug test is performed.

If you see any potential hazards that need attention, notify the Human Resources Department immediately.

Responsibilities & Lines of Authority

The Superintendent/QC Manager/SSHO will:

- Establish policies and procedures for the Company Safety Program and evaluate current policies and procedures for effectiveness.
- Stay current on governmental regulations concerning occupational safety and health and keep project managers and superintendents up to date.
- Be present whenever work is in progress to conduct safety inspections, communicate with employees, and provide training and technical assistance as needed.
- Represent Mechworks, Inc. at conferences as required by customers, government agencies, and other organizations.
- Review all accident reports and personally investigate serious accidents. Follow up regularly on all lost-time accidents until the injured employee returns to work. Maintain close liaison with the workers' compensation insurance carrier.
- Review periodic workers' compensation loss reports and keep management apprised of trends. Compile periodic safety statistical reports and distribute them to interested parties.
- Serve as a corporate consultant to employees on safety and health-related issues.

An AHA (Activity Hazard Analysis) will be developed, approved, and reviewed with all involved employees and subcontractors prior to commencement of work at each site for hazardous work. AHAs will be provided for each definable feature of work and will include basic contract information required. Hazards, actions, inspections, equipment, and personnel requirements will be completed by the QC Manager on the jobsite prior to the preparatory inspection for each DFOW. This ensures each AHA is jobsite- and date-specific.

The Project Manager will:

- Initiate, in conjunction with the Safety Officer, an accident prevention plan for each project under their control.
- Ensure all aspects of the corporate safety program and applicable regulations are in effect on the jobsite.
- Promote hazard awareness and accident prevention during all phases of work, especially at job start-up.
- Ensure superintendents are knowledgeable in applicable safety rules and regulations.
- Ensure superintendents are available for required safety and health training.

The Quality Control/Safety Manager will:

- Enforce elements of the safety program, notice prevention program, and all other applicable safety and health regulations during all phases of construction.
- Orient each new employee to the Company Safety Program by using the New Employee Orientation Program and reviewing site conditions.
- Orient each subcontractor and make the approved APP available for review.
- Ensure each subcontractor reviews hazardous phases of work and participates in AHA discussions for subcontracted work.
- Conduct weekly group safety meetings (topics may include safety talks, jobsite hazards, recent or near-miss accidents, and material safety data sheets).
- Conduct daily jobsite safety inspections and record safety violations by employees or subcontractors. When a violation is found, set a compliance deadline and perform a follow-up inspection to verify compliance.
- Respond promptly to complaints, recommendations, or suggestions regarding job safety and health.
- Communicate new standards and procedures established by the Department of Labor and the Company as they are received from the Safety Officer.
- Investigate accidents in accordance with the established Accident Reporting Procedure Policy and complete CSIR-1 as required.
- Ensure all personal protective equipment and safety devices are used as directed.
- Inform the Safety Officer immediately upon notice of an OSHA safety and health inspection.

The Employee will:

- Practice safe work habits and adhere to all Company safety policies and procedures.
- Report all accidents to the superintendent immediately, regardless of severity.
- Attend and participate in weekly safety meetings.
- Maintain a clean and safe work area.
- Wear and use assigned protective equipment and devices as instructed by the superintendent.
- Report unsafe work conditions and not work in any unsafe situation.



Expectations, Incentive Programs, and Compliance

Safety Program Goals

Mechworks, Inc. is committed to employee safety and loss control. It is our intention:

- that all employees work under the safest conditions possible; and
- that we provide information, training, and supervision to enable employees to perform their jobs safely.

Under the Occupational Safety and Health Act, construction industry employers must furnish each employee with a place of employment that is free from recognized hazards likely to cause death or serious injury. Employers must also comply with, and require employees to comply

with, specific standards and rules that apply to their operations. To accomplish this, employers must educate and train employees in applicable rules and regulations.

This General Health and Safety Plan for Construction outlines basic safety rules and procedures for Company employees. While it helps employees recognize and avoid obvious hazards, it is intended to highlight the fundamentals of safety. Additional plans may be required for specific hazards or topics (e.g., asbestos control, assured equipment grounding, confined space entry, fire protection and prevention, hazard communication, hearing conservation, lockout/tagout, respiratory protection, etc.). When in doubt, employees should contact their supervisor or the Safety Officer.

This plan is designed to reflect Company policy and is not intended to be a binding legal contract. It does not alter any employee's at-will status or grant legal rights beyond those required by law.

Mechworks Mechanical's incentive program is simple:
"CONTINUED EMPLOYMENT MEANS SAFETY FIRST"

Employees who demonstrate a lack of concern for their own safety or the safety of others will be terminated. Supervisors and foremen who do not enforce compliance with the safety program will be replaced, demoted, and/or receive a reduction in pay and retraining.

The lines of authority for safety compliance are listed in Section 4 of this plan; however, the on-site superintendent/safety manager is ultimately responsible and accountable for jobsite safety. The project manager is accountable for the actions of all superintendents.

Company Vehicle Policy

Mechworks, Inc. provides vehicles for business use to allow employees to drive on Company-designated business and/or may reimburse employees for business use of personal vehicles according to the guidelines below. The Company retains the right to amend or terminate this policy at any time.

Employees may not drive Company business vehicles without prior approval. Before an employee is approved to operate a Company vehicle, the employee's driving record will be reviewed (with the employee's consent), and the existence of a valid driver's license will be verified. Employees approved to drive on Company business must inform the Company of any changes that may affect their legal or physical ability to drive or their continued insurability.

Employees whose jobs require regular driving as an essential job function must, as a condition of employment, meet the driver approval standards of this policy at all times. For other jobs, driving may be considered an incidental function.



Where possible, Company vehicles will be assigned to departments that demonstrate a continued need. Additional vehicles may be maintained in a motor pool for use by employees as needed.

Employees who need transportation to perform normal work duties may be assigned a Company vehicle. Other employees needing transportation for Company business may use department vehicles or vehicles from the motor pool. As a last alternative, when no Company vehicle is available, employees may use personal vehicles for business purposes with prior approval.

Employees driving on Company business must exercise due diligence to drive safely and to maintain the security of the vehicle and its contents. Employees are also responsible for any driving infractions or fines incurred.

Non-employees and non-business passengers (including family members and friends) are prohibited from riding in Company vehicles.

Employees must report any theft or malicious damage involving a Company vehicle, regardless of extent, as soon as possible and no later than 48 hours after the incident. Employees should make no voluntary statement other than in reply to questions of investigating officers.

Employees are not permitted, under any circumstances, to operate a Company vehicle or personal vehicle for Company business when any physical or mental impairment prevents safe driving. Employees must not operate any Company vehicle, or operate a personal vehicle for Company business, while using or consuming alcohol, illegal drugs, or prescription medications that may affect driving ability. These prohibitions include circumstances in which the employee is temporarily unable to operate a vehicle safely or legally due to impairment, illness, medication, or intoxication.

Driving While on Company Business

Driver inattention is a factor in a majority of motor vehicle accidents. We are concerned not only about your welfare as a Mechworks, Inc. employee, but also the welfare of others who could be harmed by inattentive driving. As a driver, your first responsibility is to pay attention to the road. When driving on Company business, or driving while conducting business on behalf of the Company in any manner, the following applies:

- All North Carolina state laws, including seat belt laws, must be followed at all times by drivers and passengers.

Cellular Phone Use

Cell phone use while driving is a common and often harmful distraction. For safety reasons, cell phone use while driving is prohibited unless using a hands-free device. Do not place or accept calls unless it is an emergency and the call cannot wait until you can safely pull off the road or arrive at your destination. In North Carolina, texting while driving is against the law. Do not send or read text messages while driving.

Obey the Law

Mechworks, Inc. is not responsible for moving violations, parking tickets, or violations of city ordinances or state/federal laws related to driving habits and operation/care of a personal motor vehicle. Any tickets issued are the employee's responsibility, even if issued while conducting Company business.

Other Safe Driving Precautions

- Use good judgment when road conditions are poor. Limit or avoid driving when rain or snow threatens safety.
- Avoid distractions such as eating, applying makeup, focusing on the radio/CD player, or other distracting behavior.
- Do not drive if your ability to drive safely is impaired by medication.
- Laptop computers must never be used while driving.
- If using a vehicle that is not your own (rental or otherwise), adjust mirrors and familiarize yourself with controls before driving.
- Ask coworkers to call you back at a safer time if they call while you are driving.

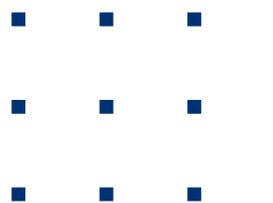
Employees who drive for Company business must have a current, valid driver's license.

Employees who are issued Company vehicles must drive the Company vehicle to all paid work-related events.

Workers' Compensation

Mechworks, Inc. provides workers' compensation insurance for employees who suffer a job-related injury or illness. Both income and medical benefits are provided, in accordance with applicable law.

Employees returning to work must provide proof of rehabilitation or treatment from a licensed physician, as well as verification that they are able to complete all job-related tasks. If the physician restricts the employee from completing certain job-related tasks, the Company may modify the employee's workload. Once a physician verifies that the employee can resume all job-related tasks, the employee will no longer receive workers' compensation benefits.



Employee Handbook Appendix



PTO REQUEST

Employee Name:

Date Submitted:

Position:

Dept:

Supervisor:

Dates of requested paid time-off:

Beginning / /

Ending: / /

Total No. # of Days of this Request:

Total No. # of Days Used Prior to this Request:

Total No. # of Days Remaining:

Note: If you are requesting FMLA reduced schedule or intermittent leave, you should indicate the date you propose such arrangement to begin and end.

Type of paid time-off:

Holiday _____

Military _____

Bereavement _____

Jury Duty _____

Other Court Appearance _____

Juvenile order/parental schoolactivities _____

Personal _____

NOTE: Time off for the following reasons is conditionally designated and charged against the eligible employee's FMLA allotment pending final determination of FMLA qualification.

Own health condition that renders the employee unable to perform the job

Care for an employee's parent, spouse, or child with a health condition

Birth of employee's child or to care for employee's newborn child

Placement with employee of a child for adoption or foster care

Qualifying Exigency or Care for a military parent, spouse, or child with a health condition

Note: Approval of any requested leave may be subject to the submission of applicable certifications verifying the reason for absence.

Employee signature:

Date:

Approved by:

Date:

SUPERVISOR ACCIDENT REPORT

Injured Employee's Name:

Date of Incident:

Time of Incident:

Date/Time Reported:

Description of the incident:

Witness names:

Cause of accident:

Was a safety procedure violated? YES or NO

Describe:

Accident site inspection and comments:

Recommendations/comments:

Supervisor signature:

Date:

EMPLOYEE WARNING REPORT

EMPLOYEE NAME:

DATE:

This is your written warning.

You have been warned several times regarding the following:

Further behavior will result in immediate termination.

We value you as an employee therefore, we are giving you this opportunity to rethink your work behavior and priorities. Your superintendent will review with you and we ask that you both sign.

Thank you,

Mechworks Mechanical Contractors, Inc.

Foreman Signature

Employee Signature

APPLICATION & REQUEST FOR EDUCATIONAL REIMBURSEMENT

Name: _____ Company/ Department: _____

Position Title: _____ Phone: _____

Street Address: _____ City: _____

State/ Zip: _____ School: _____

Program Sought: _____

Approximate Completion Date: _____ Educational Goals: _____

Describe how training/program will benefit you in your current position as well as the Company(use the back of this form if necessary):

Course Name/Number: _____

Course Cost: _____

Book/Fee Cost: _____

Misc. Costs _____

Start Date: _____

End Date: _____

CE Credits _____

This application is submitted in accordance with and subject to the Company's Educational Assistance policy. I hereby certify that I am not receiving financial assistance for this course from any other source. I have read the conditions explained in the policy and agree to abide by them. I also agree to the payback provisions set forth in the Educational Assistance Guidelines, including authorization for the Company to deduct from my payroll any monies due the Company. The following items are attached:

Tuition Receipt Book/Fee Receipts Grade Report Continuing Education Certificate of Completion

Applicant's Signature: _____

Date: _____

TO BE COMPLETED BY A MANAGER AUTHORIZED TO APPROVE APPLICATION/EXPENDITURES

Upon completion of this Application, forward to your manager for approval.

I support this educational reimbursement.

Manager's Signature: _____

Date Approved: _____

Upon approval of this Application, forward to HR for review, tracking and processing. Additionally, schedule a career discussion with your employee on the following topics:

Educational Assistance policy (how it works, service commitment expectations, etc.)

How the courses relate to the employee's current position

Career goals and interests (short-term and long-term)

Expectations concerning work/school conflicts

TO BE COMPLETED BY HUMAN RESOURCES

APPLICATION APPROVED

APPLICATION NOT APPROVED

REIMBURSEMENT:

COMMENTS

Your application will be reviewed within 2 weeks of receiving it, and a copy will be returned to you. Upon successful completion of the course(s), submit the following to HR for reimbursement:

Your copy of the approved Application and Request for Educational Reimbursement

Copy of grade report or Continuing Education certificate of completion

Tuition statement, book receipt