



ez electric

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EMPLOYEE MANUAL

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PRESIDENT'S MESSAGE

Welcome to Vexillum Inc. (hereafter referred to as EZ Electric). I know that you have a choice when choosing employers and we are excited that you chose EZ Electric. I hope that you will find this document helpful in getting to know our company and its policies. Of course, you should feel free to bring your suggestions, questions, and comments to our attention.

The pride we have in our company and in the service we provide to our customers is the reason we have experienced success in the past. I am sure you will feel the same pride as you meet the challenges of your job with EZ Electric.

Mutual respect for one another is a basic ingredient as we work together to reach our common goals. The ease and freedom with which we communicate is also very important. We hope this document will help with this communication.

Only with your contributions and effort, can we expect to meet our common goals and continue the growth of our company. Again, thank you for choosing EZ Electric as your employer and I look forward to an equally beneficial relationship.

Scott A. Zachman,

President

YOUR EMPLOYMENT WITH EZ ELECTRIC

This Employee Manual is provided to answer common questions posed by our employees. It is a summary of EZ Electric's personnel policies, benefits, and work rules and how they will affect you. Please read it carefully and learn its contents. If you have any questions about our policies and practices that are not answered by this handbook, please feel free to ask your Supervisor or the Human Resources Department. Please understand that the policies and practices set out in this manual are not a contract and are not intended to imply a contractual relationship.

This handbook replaces all earlier handbooks, and takes precedence over all memoranda and oral descriptions of the terms and conditions of employment. To avoid confusion, please discard any old manuals and handbooks you may have.

EQUAL EMPLOYMENT OPPORTUNITY IS OUR POLICY

It is the long established policy of EZ Electric to be an Equal Employment Opportunity Employer. Employment decisions are based on merit, qualifications, abilities and business needs, and not on race, ancestry, sexual orientation, color, religion, sex, national origin, age, physical or mental disability, marital status, or any other characteristic protected by law. This policy applies to all areas of employment, including recruitment, hiring, training and development, promotion, transfer, termination, layoff, compensation benefits, social and recreational programs, and all other conditions and privileges of employment in accordance with applicable federal, state and local laws.

EZ Electric complies with the provisions of the Americans with Disabilities Act (ADA). EZ Electric will not discriminate against any qualified employee or job applicant with respect to any terms, privileges, or conditions of employment because of a person's physical or mental disability or a person's diseases such as AIDS or AIDS-related virus, Sickle-Cell Trait, cancer, heart disease, or other life-threatening illnesses or diseases.

EZ Electric will make reasonable accommodations as necessary for all employees or applicants with disabilities, provided that the individual is qualified to safely perform the essential duties of their job and provided that the accommodations do not impose an undue hardship on the Company.

You are free to terminate your employment with EZ Electric at any time, with or without a reason, and EZ Electric has the right to terminate your employment at any time, with or without a reason. Although EZ Electric may choose to terminate employment for cause, cause is not required. This is called "at will" employment.

No one, other than the President of the Company, can enter into an agreement for employment for a specified period of time, or make any agreement or representations contrary to this policy. Further, any such agreement must be in writing, and signed by the President of the Company. EZ Electric's policy of "at will" employment may be changed only in writing by the President of the Company.

Apart from the policy of "at-will" employment and those policies required by law, EZ Electric may change its policies or practices at any time without prior notice.

NEW HIRES

All offers of employment are contingent on verification of your right to work in the United States. On your first day of work, you will be asked to provide original documents verifying your right to work and to sign a verification form required by Federal law. If you, at any time, cannot verify your right to work in the United States, EZ Electric may be obligated to terminate your employment.

New employees are Introductory Employees for the first six (6) months of full time employment. During this period you will have an opportunity to learn your new position (job) and see whether you enjoy your employment at EZ Electric. EZ Electric will use this period to see if you are able to meet Company expectations.

During your introductory period, you will not earn certain benefits such as insurance, personal holidays (if applicable), etc.

Successful completion of your introductory period is not a guarantee of continued employment.

Introductory periods may be extended for business reasons, or because of permitted time off taken by the employee.

As explained earlier, during your introductory period, and during the entire course of your employment, you will be an "at will employee".

While Supervisors, Managers, and Officers have certain hiring authority, no employee of EZ Electric has any authority to alter the "at-will" employment relationship.

EMPLOYMENT STATUS

There are four (4) types of Employees at the Company. Your employment status is one of the following:

1. Introductory Employees: Employees who have not yet completed the introductory period.
2. Regular Full-Time Employees: Employees who have completed their introductory period and work forty (40) or more hours per week.
3. Regular Part-Time Employees: Employees who have completed their introductory period and work less than forty (40) hours per week.
4. Temporary Employees: Employees who are hired for a specific period or specific project, and who are not considered regular or introductory employees.

WORK SCHEDULES

Your supervisor will inform you of your work schedule. You will be scheduled to work a five (5) day, forty (40) hour work week. Normal work days are Monday through Friday, unless indicated otherwise.

A designated work-week is considered to be from Monday 12:01 A.M. through the following Sunday at 12:00 midnight.

If you are a minor (under 18 years of age and not a high school graduate) it is against the law for you to work past 10:00 P.M. on a day preceding a school day. You may work until 12:30 A.M. of a non-school day. You may not work more than eight (8) hours in one day, or more than forty-eight (48) hours in one week.

REST AND MEAL BREAKS

You must report to work in enough time to be ready to start your job at the beginning of your shift. You must arrange your personal schedule to comply with your work hours.

If you work three hours or more, you may take a ten (10) minute break. If you work five (5) hours or more, you may take a ten (10) minute break and a thirty (30) minute meal break, which should be scheduled with your supervisor. If you work seven (7) hours or more, you may take two (2) ten (10) minute breaks and a thirty (30) minute meal break. All ten (10) minute breaks must be taken on-site. Your supervisor will tell you where you can take your breaks.

OUTSIDE EMPLOYMENT

Your job with EZ Electric is your primary work responsibility. So that you can do your best, we ask that you do not work full-time for another employer while you are employed by EZ Electric. It is also requested that you do not do "side-work" on any projects that EZ Electric has worked on or has under contract. If side work is performed under these circumstances it may be cause for termination.

CONFIDENTIALITY

Our customers and vendors entrust EZ Electric with important information relating to their businesses. In safeguarding the information received, EZ Electric earns the respect and further trust of our customers and vendors. Your employment assumes an obligation to maintain confidentiality, even after you leave the company. If you are questioned by someone outside the company or your department, please refer the request to your manager or to the President. No one is permitted to remove or make copies of any company records, reports or documents without prior management approval. Because of its seriousness, disclosure of confidential information may lead to termination of employment.

PERSONNEL RECORDS

EZ Electric keeps a personnel file on each employee. The contents of your file, except for letters of reference, and certain other limited types of information, are open for your inspection at reasonable intervals at your request. You may make copies of certain papers in your file. You may also make copies of your payroll records. Call the Human Resources Department if you wish to see or copy your personnel file.

Should you have any personal changes such as address, phone number, marital status, or changes in the number of your dependents, you must inform the Human Resources Department in writing so our records and your benefits are kept up to date.

EZ Electric will keep your personnel records private. However, there are certain times when information may be given to persons outside the Company. These are:

1. In response to a subpoena, court order, or order of an administrative agency.
2. In a lawsuit, grievance, or arbitration in which you and EZ Electric are parties.
3. To administer employee benefit plans.
4. To a health care provider.

To a prospective employer or other person requesting a verification of your employment, but only (a) if you give us a written release allowing us to give out information, or (b) we are providing only the dates of your employment, your last or present job title, and the fact of your employment.

COMPANY TELEPHONES

Company telephones are provided primarily for business calls. Personal use of company phones should be limited. All telephone calls may be monitored. The Federal Electronic Communication Privacy Act and the Federal Ominous Crime Control and Safe Streets Act provide that one party of the conversation must consent to the intercepting or taping of the phone call or else electronic monitoring is not permitted unless judicial authorization or actual consent has been received. Therefore, as your employer we may monitor an employee's personal calls only as long as it takes to decide whether the call is business or personal.

ELECTRONIC MAIL & INTERNET USE

EZ Electric considers that E-Mail is for business purposes only and may be accessed by the Company at any time. Employees should be aware that the Company may make employment decisions based on the e-mail information in the system.

EZ Electric permits Internet use for work-related purposes only. When using the Internet do not use your company affiliation or purport to represent the company in any way unless authorized as part of your job duties.

With regard to both E-Mail and Internet usage all sex, age, race and other harassment is prohibited including sending racially or sexually offensive messages. The Company also forbids retrieving, downloading or sending pornography of any kind.

On-line communications are not private and all messages sent or retrieved over the Internet are company property. The Company may monitor on-line usage whenever there's a business reason for doing so, either on a periodic basis or any time for any reason. EZ Electric restricts unauthorized downloading of information onto your Company PC. Copying of software and other material off the Internet can violate copyright laws unless the vendor or author permits it.

EZ Electric considers the above stated policies on the use of Electronic Mail and Internet Use important. Violations of these policies will subject the employee to disciplinary action, up to and including termination.

SEPARATION PROCEDURES

When you leave EZ Electric, you must return all supplies, keys, tools, ladders and any other company property. The Federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified dependents the opportunity to continue health insurance coverage under EZ Electric's health plan when a qualifying event would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or employee's divorce or legal separation, and a dependent child no longer meeting eligibility requirements. EZ Electric provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under EZ Electric's health insurance plan. The notice contains important information about the employee's rights and obligations.

PAY PERIODS

Your paycheck will be distributed by the U.S Mail Service or direct deposit every two (2) weeks, on Monday. Your check will represent payment for all time worked for the previous pay period.

OVERTIME

Some Company employees are exempt from the overtime pay requirements of the law. Exempt Employees are paid on a salary basis and are in executive, administrative, or professional positions.

Nonexempt employees are paid either a salary or on an hourly basis, and receive overtime pay for time worked in excess of eight (8) hours per day or forty (40) hours per work week.

If you are nonexempt, you may be required to work overtime. Overtime is paid at one and a half times the regular hourly rate, if you work more than eight (8) hours per day or forty (40) hours per week; or for the first eight (8) hours, if you work the seventh day of a workweek. Nonexempt employees, who have to work more than twelve (12) hours in one day (a day begins at midnight), or more than eight (8) hours on the seventh working day in a work week (each week begins on Monday), are paid at two times their regular hourly rate for the excess hours. Days or hours, when you are paid but do not work, such as vacations and holidays, do not count as time worked for computing overtime.

Employees who wish to make up work time lost because of a personal obligation must submit a written signed request to the employer. If the hours are made up during the same week the time was lost, they may not be counted toward total hours worked for purposes of calculating overtime, except for hours in excess of 11 in one day or 40 in one workweek. Employees may request such an arrangement for up to four weeks in advance. Employers are not required to grant this request. However, the make-up work must be performed in the same week during which the time was lost. Employers may inform employees of this option, but they are prohibited from encouraging or otherwise soliciting employees to use it.

Overtime applies only to hours of actual work, not hours paid. The following periods, even if paid by an employer, are not included in determining when an employee is eligible for overtime payment: sick days, holidays, vacations.

Time spent in required medical examinations count as actual work. This applies to employees required to have medical examinations for class "A" drivers licenses.

Times spent in mandatory drug testing for class "A" drivers licenses are considered actual hours worked.

Time spent for attending voluntary job-related meetings, courses, and training programs outside normal working hours do not count as actual hours worked.

To work overtime, you must obtain permission from your supervisor. If you work overtime without permission, you may be disciplined, up to and possibly including discharge.

PAYROLL DEDUCTIONS

Federal and State laws require that the Company withhold taxes from your wages. These are: (1) Federal income tax; (2) California income tax; (3) Federal Insurance Contributions Act (FICA) (Social Security and Medicare); and (4) California State Disability Insurance (SDI). As of January 2004 employees have been contributing to Family Temporary Disability Insurance (FTDI) by an increase in the SDI rate.

If you want to change the number of your exemptions, or your marital status for Federal or State income tax withholding purposes, please call the Human Resources Department.

GARNISHMENT

If the Company receives an order to garnish your wages, the Company must comply with that order. A garnishment will reduce your take-home pay. Because of the time and money involved in processing garnishments, EZ Electric may elect to discipline or discharge an employee if garnishment requests for more than one debt are received.

TIMEKEEPING

Time cards must be filled out each day by the employee and approved by the jobsite foreman or manager. Managers and Foreman will prepare time cards for each pay period, and send them to the Accounting Department at the end of each week. It is important to keep accurate time cards and to turn them in when they are due. A time card is a legal document and must not be tampered with. Only employees are permitted to fill out their own time card. No employee is allowed to fill out a time card for another employee. Filling out the time card of a fellow employee or falsifying your own time card is dishonest and may lead to immediate discharge. Time card corrections must be approved by management and initialed by employee.

MEDICAL INSURANCE BENEFITS

After 6 months of full time employment, all full-time office employees and their eligible dependents may be covered by the Company's group medical plan. After 6 months of full time employment all Electrician/Field Employees and their dependents may be covered by the Company's group medical plan. Temporary, Introductory, and Part-Time employees are not eligible for medical benefits.

The company pays 70% of our "Core Plan" premiums for the employee coverage. The employee pays 30% of the insurance premium through a payroll deduction. Eligible dependents may be enrolled in company benefits, but 100% of the cost of their coverage is paid by the employee. Additional benefit plan types may be offered and any additional cost for these plan types is 100% the employees responsibility. Annual increases in premiums may occur and the increased cost of the premiums shall be adjusted in your payroll deduction at the standard percentage amount listed above. These benefits are described in detail in the Summary Plan Description furnished to you with your enrollment forms just prior to your completion of your eligibility requirements.

Special Health Insurance Enrollment Rights are also covered by HIPPA (Health Insurance Portability & Accountability Act). Events such as loss of other coverage, marriage, or birth/adoption of a child may make an employee eligible to enroll him (her) self and/or dependents in the Company's Group Health Plan.

In order to assist the Company with processing of your insurance benefits, you must notify the Human Resources Department if your address changes, if you get married or divorced, or if your dependents status changes. You should verify your eligibility for coverage before undergoing treatment in order to ensure that the treatment is covered. If you have questions about your medical benefits please call the Human Resources Department.

VACATION, HOLIDAYS AND PERSONAL/SICK TIME

The Company provides salaried, full-time employees paid vacation, holidays and personal/sick time as follows:

SALARIED FULL-TIME EMPLOYEES

	<u>Personal/Sick Days</u>	<u>Vacation Days</u>	<u>Holidays</u>
After 1000 Hours of Compensation	None	None	**9 per year
After 2000 Hours of Compensation	*5 per year	5 per year	**9 per year
After 4000 Hours of Compensation	*5 per year	10 per year	**9 per year

- *Two days available in first quarter, plus one day per quarter thereafter.
- **Holidays: New Years Day, President’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve, Christmas Day.

Personal/Sick Days are accrued as stated above and are forfeited if not used during the calendar year. Terminated employees will not be paid for unused Personal/Sick days. Vacation hours are accrued on a daily basis based on 2000 hours of compensation. Vacation hours/days must be used within one year from date of accrual. Vacation hours not be accrued higher than your annual allotment.

Additional employees may be granted vacation when approved in writing from the Company President. The allotment of vacation days for these employees is based on the agreement approved by the Company President. The use, accrual, and forfeiture of vacation hours/days are bound by the same conditions stated above.

The company also provides Hourly, Full-time Employees that work at EZ Electric’s office buildings (i.e., office and warehouse) paid vacation as follows. This does not include field and service electricians.

HOURLY FULL-TIME EMPLOYEES (as indicated in the previous paragraph)

	<u>Personal/Sick Days</u>	<u>Vacation Days</u>	<u>Holidays</u>
<u>Office Staff and Warehouse Managers</u>			
After 1000 hours of Compensation	None	None	**9 per year
After 2000 Hours of Compensation	*5 per year	5 per year	**9 per year
After 4000 Hours of Compensation	*5 per year	10 per year	**9 per year
<u>Warehouse and Delivery Drivers</u>			
After 2000 Hours of Compensation	None	5 per year	**9 per year

- *Two days available in first quarter, plus one day per quarter thereafter.
- **Holidays: New Years Day, President’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve, Christmas Day.

Vacation shall be compensated at the straight-time rate in effect on the date vacations commence. Pay in lieu of vacation shall be authorized only in the following situations:

1. At the time of termination, employees will be paid for accrued vacation. Employees with less than 2000 hours of compensation are not eligible for vacation and will not be paid for vacation unless such payments are required by State or local law.
2. When an employee is granted military leave-of-absence for extended active duty and arrangements for taking the vacation accumulated cannot be made.
3. Pay in lieu of vacation has been approved by the Company President.

EVALUATIONS

Your supervisor will review your job performance with you at least once every 2000 hours of compensation, and whenever the Company is contemplating a pay raise. The purposes of these evaluations are:

1. To evaluate the strengths and weaknesses of your work and to communicate these to you.
2. To evaluate your success at achieving goals stated at your prior review.
3. To set future performance goals.

Your supervisor may prepare a written assessment of your job performance, which may be reviewed by the next higher level of management. After that, you will meet with your supervisor to discuss the evaluation. When you meet with your supervisor, you are encouraged to ask specific questions and to comment about your evaluation. You will be allowed to write your own comments on the evaluation form, and to sign it to show that you have read it and discussed it. You may request a copy of the completed form for your own records. A good performance evaluation does not guarantee a pay raise, nor is it a promise of continued employment.

Your Introductory Review will take place when you are close to 1000 hours of compensation from your date of hire. An additional review will take place when you are close to 2000 hours of compensation from your date of hire.

Performance reviews will be conducted close to 2000 hours of compensation from the date you started working, and every 2000 hour increments of compensation thereafter. Administrative employees receive 2000 hour reviews. Pay increases may be given at your 1000 hour review, 2000 hour review, and every 2000 hour increment thereafter.

ATTENDANCE AND ABSENCES

One of the most basic indicators of your performance is regular attendance. You must be on time. If you cannot come to work or will be more than a few minutes late, you must call your supervisor before 7:30a.m. We need to be informed each day that you intend to be off work. Please obtain the name and phone number of the person you must notify for future reference or call one of the phone numbers provided on page 19.

If you know in advance that you are going to be absent, you must schedule the absence with your supervisor at least one week in advance.

Excessive absences and failure to report absences on time will lead to discipline, up to and including discharge. Absences are excessive if they occur frequently, or if they show a pattern. Absences immediately before or after holidays and weekends are suspect.

If you are absent for two consecutive work days, without due notification to the office, it will be considered that you have abandoned your position and possible discharge may occur.

TARDINESS

You must arrive at your job location and be ready to start work at the beginning of your assigned schedule. Be ready to resume work on time after authorized rest and meal periods. Tardiness may lead to discipline, up to and including discharge.

We know that traffic or weather conditions may cause you to be late once in awhile. If this happens, notify your supervisor that you will be late and when you will be able to report for work. However, you are expected to plan for traffic and weather problems to allow for extra time to commute to work, if necessary.

Repeated or excessive tardiness will lead to disciplinary action, up to and including discharge. Tardiness is excessive if you are late frequently, or if you demonstrate a pattern of tardiness.

POLICIES GOVERNING UNPAID TIME OFF

APPROVED LEAVES OF ABSENCE

Sometimes employees may need to take a leave of absence from their employment. When an Introductory Employee takes a leave of absence, his or her introductory period is extended by the number of days of the absence. A Temporary Employee is not eligible for a leave of absence.

If you take a leave of absence, you must return to work on the next regular working day after your leave of absence expires. If you do not, you will be considered to have voluntarily quit your job. You must ask for written approval in advance to take a leave of absence.

If you know you will need a leave of absence in advance (for example, in cases of military or pregnancy leave), you must give at least two (2) weeks prior written notice of the expected start date of your leave.

Except as required by law, the Company cannot guarantee that your position will still be open when you return from your leave of absence.

Each type of leave of absence has its own rules. All leaves of absence are unpaid. You must consult with your supervisor or the Human Resources Department about the applicable restrictions.

Listed below are the types of leave of absence permitted by the Company:

Medical Leave: Family Care and Medical Leave (CFRA Leave) and Pregnancy Disability Leave Under the California Family Rights Act of 1993 (CFRA), if you have more than 12 months of service with the company and have worked at least 1,250 hours in the 12-month period before the date you want to begin your leave, you may have a right to an unpaid family care or medical leave (CFRA leave). This leave may be up to 12 workweeks in a 12-month period for the birth, adoption, or foster care placement of your child or for your own serious health condition or that of your child, parent or spouse.

Even if you are not eligible for CRFA leave, if disabled by pregnancy, childbirth or related medical conditions, you are entitled to take a pregnancy disability leave of up to four months, depending on your period(s) of actual disability. If you are CFRA-eligible, you have certain rights to take BOTH a pregnancy disability leave and a CFRA leave for reason of the birth of your child. Both leaves contain a guarantee of reinstatement to the same or to a comparable position at the end of the leave, subject to any defense allowed under the law.

You must provide at least 30 days advance notice for foreseeable events (such as the expected birth of a child or a planned medical treatment for yourself or of a family member). For events which are unforeseeable, you must notify us (at least verbally) as soon as you learn of the need for the leave. Notification should be followed up by a statement in writing.

Failure to comply with these notice rules is grounds for, and may result in, deferral of the requested leave until you comply with this notice policy.

We may require certification from your health care provider before allowing you a leave for pregnancy or your own serious health condition or certification from the health care provider of your child, parent, or spouse who has a serious health condition before allowing you a leave to take care of that family member. When medically necessary, leave may be taken on an intermittent or a reduced work schedule.

If you are taking a leave for the birth, adoption or foster care placement of a child, the basic minimum duration of the leave is two weeks and you must conclude the leave within one year of the birth or placement for adoption or foster care.

Taking a family care or pregnancy disability leave may impact certain benefits and your seniority date. If you want more information regarding your eligibility for a leave and/or the impact of the leave on your seniority and benefits, please contact the Human Resources Department.

State Disability Insurance: When you are unable to work or reduce your work hours for the reasons indicated above, you may be eligible to receive State Disability Insurance benefits. A copy of "State Disability Insurance Provisions," DE2515 is available from the Human Resources Department and will provide the details regarding these benefits.

FMLA (Family and Medical Leave Act): With some exceptions, an employee must be allowed to take up to 12 weeks of unpaid leave in any 12-month period under the following circumstances:

- For the birth or adoption of a child
- To care for a child, spouse, or parent with serious health conditions
- For the worker's own serious health condition

For approval of an FMLA leave, EZ Electric uses a "Looking Back" method. For more information, please contact the Human Resources Department.

Paid Family Leave: When you stop working or reduce your work hours to care for a family member who is seriously ill or to bond with a new child, you may be eligible to receive Paid Family Leave (PFL) benefits beginning July 1, 2004. A copy of the "Paid Family Leave" DE2511 is available from the Human Resources Department and will provide the details regarding these benefits.

Medical Leave: Occupational Disability -- If you are injured at work, you may be allowed to take an unpaid leave of absence until: a) a recognized medical professional certifies that you are allowed to resume some of the duties of your former position; modified duty may be available b) you are unable to come back to work in your position (i.e., your condition is permanent and stationary); or c) you resign, quit, or otherwise indicate that you are not going to return to your job.

If you are injured while performing your job duties, you may be covered by the Company Workers' Compensation Insurance. See also "ON THE JOB INJURIES" and "WORKERS COMPENSATION" paragraphs included in this manual.

Military Service: Employees are eligible for military leaves of absence. The specific terms and nature of your right to return to your job after a military leave are governed by law.

COBRA (Consolidated Omnibus Budget Reconciliation Act): Your medical and dental insurance will continue for a month after your leave of absence and then you will be offered COBRA benefits. COBRA notifications will be mailed to you when applicable.

OTHER ALLOWABLE TIME OFF

There may be other times, such as the following occasions, when you must miss work. You must inform your supervisor with as much advance notice as possible when you know you will be absent.

JURY DUTY

If you receive a jury summons, you must inform your supervisor and the Human Resources Department immediately. If you cannot be excused from jury duty or your work schedule cannot be rearranged to avoid conflict, you will be allowed to take time off without pay for each full or partial working day you serve on jury duty. You must report to work on days or parts of days when you are not required to serve. If you do not return to work immediately after an approved leave for jury duty, the Company may assume you voluntarily quit your job.

WITNESS DUTY

You may be required by law to appear in court as a witness. If you give reasonable advance notice to your supervisor, you will be allowed to take unpaid time off.

VOTING TIME

EZ Electric's regular working hours allow ample time for employees to vote before or after their regular working hours. In the event that the company requires an employee to work outside of regular working hours (such as a mandatory overtime situation) the employee will be allowed to schedule up to two hours off without loss of pay. The time off is generally to be either at the beginning or end of the work shift. Employees are to give two days notice if they know at least three days in advance that time off to vote will be necessary.

DEATH IN IMMEDIATE FAMILY

You may be absent without pay for up to three normally scheduled, consecutive working days per year because of death in the immediate family. Immediate family includes current spouse, mother, stepmother, father, stepfather, sister, stepsister, brother, stepbrother, child, stepchild, current mother-in-law, current father-in-law, grandparents, and grandchildren.

If you are a part-time employee or are still in your Introductory Period, you may be allowed to take unpaid bereavement leave up to three (3) days with written approval of your supervisor. This leave will extend your introductory period.

OTHER: In addition to the above mentioned approved leaves, there are several other leaves that may be taken in accordance with all state and federal laws.

COMPANY RULES STRICTLY ENFORCED

Work rules are necessary for good management, employee safety, effective work, and fairness. The violations listed below include, but are not limited to, the following examples of unacceptable conduct:

VIOLATIONS FOR WHICH YOU WILL BE DISCHARGED

The following conduct may result in immediate discharge without warning:

- Malicious or willful destruction or damage to Company property or supplies, or to the property of another employee, customer, or a visitor.
- Stealing or removing without permission Company property or property of another employee, customer, or visitor.
- Obtaining your job by lying or giving false or misleading information; falsifying any employment documents or records, including your co-worker's time records; and other acts of dishonesty.
- Bringing or possessing firearms, weapons, or other hazardous or dangerous devices onto the workplace without proper authorization.
- Possession, use, or sale of alcoholic beverages or illegal drugs at the work place, or reporting for duty under the influence of alcohol or illegal drugs.
- Insubordination, including improper conduct toward a Supervisor or refusal to perform lawful tasks assigned by a Supervisor.
- Fighting on or at the work place.
- Harassing, threatening, intimidating, or coercing a Supervisor or another employee.
- Giving the Company's property away free of charge or at a discount to any person or in violation of the company's policies.
- Concealing or failure to report an error or omission that could result in a safety hazard.
- Willful disregard of safety rules, and common safety practices.
- Loafing or deliberately restricting production.
- Loitering or wasting time on any part of the Company premises or job sites during working hours or deliberately restricting production or inciting others to do so.
- Misuse, or removal, without authorization, of employee lists, blueprints, records or confidential information of any nature.

VIOLATIONS FOR WHICH YOU WILL BE DISCIPLINED

The following examples of violations include, but are not limited to, conduct that will result in discipline. The type of discipline will depend on how serious the violation is and the specific facts and circumstances of the conduct. Discipline includes oral or written warnings, suspension or discharge.

- Unsatisfactory job performance.
- Not following an established safety rule.
- Tardiness or excessive absence from work, including taking too long for lunch and break periods.
- Leaving the job-site or your job during working hours without notifying your supervisor and obtaining permission.
- Horseplay or any other action that is dangerous to others or to Company property or that disrupts work.
- Making preparation to leave work or a job site before the specified time.

- Failure to report personal injuries at once to your supervisor or foreperson.
- Working unauthorized overtime.
- Using company equipment or materials without permission or for personal gain.
- Possessing or removing Company or employee property, or other items without permission.
- Sleeping while on duty.
- Inappropriate dress, appearance or grooming.
- Smoking inside units (smoking is only permissible during rest and meal breaks outside of buildings).
- Side-work on EZ Electric's current or past projects.

EZ Electric expects high quality work from its employees, and expects you to conduct yourself in a businesslike manner. If discipline is necessary, it may take the form of an oral warning, a written warning, suspension, or discharge, at management's discretion. A negative performance evaluation will count as discipline if appropriate. There is no standard series of disciplinary steps the Company must follow in certain circumstances; your conduct may lead to immediate discharge. Further, as previously stated, both you and EZ Electric may terminate your employment at any time, on notice to each other, without cause; the Company's discipline procedures are not meant to imply any contrary policy.

PERSONAL SAFETY AND COMPANY SECURITY

EZ Electric believes that your work environment should be safe and secure, and free from harassment. To accomplish this, you must act in a professional manner toward fellow employees, customers, and members of the community. To maintain the confidentiality of proprietary information, it is important that you follow Company rules regarding security.

YOUR RESPONSIBILITIES

Safety is a vital concern to EZ Electric and is one of your most important responsibilities. Following the Company's safety policies to the letter is essential. If you see an unsafe condition, you must report it to your supervisor. You must also report all accidents, no matter how minor.

The Company requires that all equipment and machinery be in proper working order and safe to work with at all times. If any equipment or machinery breaks down, do not use it until a qualified individual makes sure that it is repaired and safe.

Never try to fix broken equipment or machinery yourself unless you know what you are doing.

From time-to-time, the Company conducts formal safety training. Your attendance at safety meetings or sessions is mandatory.

FIRST AID

In case of a medical emergency, EZ Electric expects all employees to be aware of the following procedures:

1. If a serious injury or illness occurs, CALL 911, the emergency phone number. If the injury is serious, but does not require an ambulance, someone will take you to the nearest hospital emergency room.
2. If a minor injury occurs while you are on the job, there is a first aid kit located at each office/warehouse location. Please check with your immediate supervisor to find out where the first aid kits are kept at your location. Also, first aid kits are available at all job sites. Your Foreman or Project Manager will show you where it is located.

3. If an accident or illness should occur, no matter how slight, notify your manager or supervisor immediately so that appropriate medical treatment may be administered. The transfer of any body fluid (blood, saliva, urine, etc.) may pass on the HIV or other viruses. Please use extreme caution to avoid contact with these bodily fluids. Each first aid kit contains plastic gloves, please be sure to use them. If this is not possible, use a strong disinfectant, such as Lysol or Liquid Bleach, to clean up afterwards.
4. On the job injuries will be handled in accordance with Workers' Compensation laws. Any employee who is injured while on the job must notify the Human Resources Department immediately to be eligible for coverage provided under the Workers' Compensation Act. As part of our Drug Free Work Place policy, you may also be required to submit to drug testing if you are injured on the job.

OSHA "WORKER RIGHT TO KNOW" (HAZCOM)

EZ Electric provides information and training on all hazardous materials that are used in their field operations. These materials are used in the field only and stored at the jobsite trailers and/or company warehouses.

All field and warehouse employees are trained at the time of hire and are provided with MSDS sheets for all hazardous materials used by the company. The training includes information about the physical and health hazards associated with the chemicals; protection measures that must be taken to prevent exposure; as well as what to do in case of exposure to the chemicals. Also this training is discussed at safety meetings regularly throughout the year.

WORKERS' COMPENSATION

If you are injured while performing your job duties, you may be covered by the Company Workers' Compensation Insurance. You must report your injury to your supervisor as quickly as possible, no matter how minor it is, and even if you do not need medical treatment. The Supervisor must make a report of the injury to the Human Resources Department as soon as possible after the injury occurs. Claims for Workers' Compensation benefits should be made to the Human Resources Department.

Injured employees should be referred to one of the Company's physicians for medical treatment. However, in emergency situations, this may not be possible or practical.

LIFE-THREATENING DISEASES

The Company is committed to keeping your work environment healthy and safe for all employees; and has established these rules which you should follow if you or one of your co-workers has or contracts a life-threatening illness:

1. The Company will treat life threatening illnesses the same as other illnesses in terms of all our employee policies and benefits.
2. If you contract a life-threatening illness, you will be allowed to keep working, as long as: a) you can meet the Company's performance standards; b) your illness does not actually endanger the health or safety of other employees or customers; and c) you will not make your illness significantly worse by continuing to work.
3. You may not refuse to work because you are afraid of contracting a non-contagious, life-threatening illness from a co-worker. You may not harass or otherwise discriminate against a co-worker who has a life-threatening illness. Employees who refuse to work with or who harass or discriminate against any employee with a life-threatening illness will be disciplined, up to and including discharge.
4. In this Manual, "life-threatening illness" includes AIDS, or AIDS-related viruses, Sickle-Cell Trait, cancer, heart disease, or other life-threatening illnesses or diseases.

SUBSTANCE ABUSE

EZ Electric is required by law to provide a safe and healthy work environment for you and all other employees. Further, the Company has adopted the goals of providing the best possible service to its customers and of always improving its public image. To achieve these goals, the Company has the following rules about the use, possession, and sale of drugs and alcohol by its employees.

The use, sale, or possession of narcotics, drugs, alcohol or controlled substances while on the job or on Company property will result in immediate discharge. Conviction for the illegal use, sale, or possession of narcotics, drugs, or controlled substances off duty or off Company property also may result in discharge. If you are arrested for a drug-related offense and are awaiting trial, you will be suspended without pay.

1. Until all charges against you are dismissed.
2. Until you plead guilty.
3. Until your trial results in a verdict. If you plead guilty or are convicted of a drug-related crime, you will lose your job.

The illegal use of drugs off duty and off Company premises is unacceptable. It can have a poor affect on your job performance and job safety.

The company reserves the right to drug test those employees who suffer work related injuries that require medical treatment. An employee under the influence of narcotics, drugs, alcohol or controlled substances while at work is an employee that is potentially unsafe to themselves and the others with whom they work.

Alcohol may not be consumed on Company property, and the use of alcohol during working hours is strictly prohibited and may result in discipline up to and including discharge.

The legal use of controlled substances, such as prescription drugs prescribed by a licensed physician, or over-the-counter medications that you buy at the store, is allowed. However, if you cannot do your job satisfactorily because you are taking prescription or over-the-counter medicine, the Company may require you to see a doctor, at the Company's expense. You may be discharged or obliged to take a leave of absence if the doctor concludes that you cannot do your job safely and efficiently because you are using prescription or over-the-counter medicine.

YOUR APPEARANCE

An appropriate and professional appearance is essential to your job. You are a representative of EZ Electric so you must present a clean and professional image to customers, co-workers, and management. You must practice good grooming and personal hygiene. You must dress in an appropriate manner. Tank tops or shirts with cut-off sleeves are not professional or appropriate. Shorts that do not come within three (3) inches of your knees are not appropriate. T-shirts, sweatshirts, and jeans are appropriate.

Safe footwear must be worn at all times while you are on Company property or the job-site. Shoes that protect your ankles, your toes, and the soles of your feet from being injured from falling objects, penetrated by protruding objects, or twisted by stepping on unexpected objects are appropriate.

USE OF COMPANY PROPERTY

You are expected to use EZ ELECTRIC property only for Company purposes. This means that personal telephone calls should be kept to a minimum, and you should discourage friends, relatives or outside business interests from calling you during business hours unless there is an emergency. When your employment is terminated with the company, you must return all keys, documents, manuals, ladders, and correspondence belonging to EZ ELECTRIC.

HARASSMENT

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

Harassment is defined as unwelcome or unsolicited verbal, physical or sexual conduct that interferes with an employee's job performance or which creates an intimidating, offensive or hostile work environment, such as but not limited to:

1. Questions or comments that unnecessarily infringe on personal privacy are offensive, sexist, off-color or sexual remarks, jokes, slurs or propositions or comments that disparage a person or group on the basis of race, color, age (40 and over), sex, sexual orientation, pregnancy, gender, creed, disability, religion, national origin, ethnic background, military service or citizenship.
2. Derogatory or suggestive posters, cartoons, photographs, calendars, graffiti, drawings, physical contact or threats to take such action.
3. Unsolicited sexual advances, requests or demands, explicit or implicit, for sexual favors.

If you or one of your co-workers has been the victim of harassment, you must report the incident and the names of the persons to your Supervisor/foreperson or the Human Resources Department immediately. The incident will be investigated. If you do not report harassment, it cannot be investigated. Your cooperation is crucial. There will be no retaliation against you by management for making a complaint of sexual harassment. If you are afraid to report harassment to your supervisor, you should report it to the Human Resources Department.

GRIEVANCE POLICY

If an employee has a problem or complaint, please communicate directly with us:

1. Talk to your immediate supervisor.
2. If your supervisor cannot help resolve the matter, then speak to the Human Resources Department, who will give your problem or complaint prompt consideration. (See list of names and phone numbers at the back of this manual).
3. If the Human Resources Department feels that the situation warrants further review, then the Human Resources Department will seek assistance from the Corporate President.

Our goal is to maintain a comfortable working environment for everybody by maintaining direct communication with all employees and ensuring that each and every one of them may speak directly and openly with our management team.

TERMINATION OF YOUR EMPLOYMENT

The Company will consider you to have voluntarily terminated your employment if you do any of the following:

1. Resign from the Company.
2. Do not return from an approved leave of absence on the date specified by the Company.
3. Fail to report to work and fail to call for two or more days in a row.

You may be terminated for poor performance, misconduct, excessive absences, tardiness, or other violations of the Company rules. However, your employment is “at will” and you and the Company may need to terminate employment because of reorganization, job elimination, economic downturns, or lack of work. Should the Company decide that such termination is necessary, the Company will try to give as much advanced notice as practical.

USE OF PERSONAL VEHICLES ON COMPANY BUSINESS

EZ Electric is not responsible for any damage to employees’ cars while on company business. When required to use your personal vehicle, the Company may reimburse employees based on actual miles driven, times the rate established by the Company. This will compensate employees for all gasoline mileage, wear and tear, and insurance costs associated with the business use of their vehicle.

RENTING VEHICLES

The question often arises when “renting” a private passenger vehicle as to whether or not you should purchase the “insurance” offered by the rental company. The “insurance” offered is merely a waiver of their physical damage deductible. If you do not purchase the waiver and you damage the vehicle, you will be responsible for reimbursing them for the cost of repairs up to their physical damage deductible. Depending on the structure of their insurance programs, that amount could be significant. For this reason, we recommend that you purchase the “waiver” offered by the rental company.

CELL PHONE / TWO WAY RADIO USE

It Is EZ Electric Company Policy that all Employees comply and abide by all State and Federal Laws. This includes but is not limited to California’s Cell Phone Law. Employees are not permitted to use a wireless telephone (or any communication device) while driving a motor vehicle unless that telephone is specifically designed and configured to allow hands-free listening and talking, and is used in that manner while driving. This policy does not apply to a person using a wireless telephone for emergency purposes as defined by California State Law.

Thank you for taking the time to read this manual.

If you have any questions or concerns please feel free to contact the Human Resources Department

Ken Stern  HR Manager
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