

IPS Handbook 2026

Industrial Tubular Catalyst Services



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Group

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Acknowledgement of Receipt

I acknowledge that I have received a copy of the Industrial Tubular Catalyst Services Employee Handbook (“Handbook”). I understand that I am responsible for reading and abiding by all policies and procedures in this Handbook, as well as all other policies and procedures of the Company.

I also understand that the purpose of this Handbook is to inform me of the Company's policies and procedures, and that it is not a contract of employment. Nothing in this Handbook provides any entitlement to me or to any Company employee, nor is it intended to create contractual obligations of any kind.

I understand that the Company has the right to change any provision of this Handbook at any time and that I will be bound by any such changes. I expressly agree to the provisions in the Dispute Resolution section of the Handbook, in which I have agreed to use alternative dispute resolution, in lieu of litigation, as the sole means of resolving any dispute that may arise between the Company and me, subject to the Company’s right to seek injunctive relief. I agree to first seek to mediate any dispute with the Company with a mediator from the American Arbitration Association or similar organization trained and experienced in employment disputes. If mediation is not successful, I agree to submit the dispute to arbitration. I understand that by agreeing to arbitration I waive any right I may have to sue or seek a jury trial. The decision of the arbitrator will be final and binding.

Signature

Date

Full Name (please print)

Please sign and date one copy of this acknowledgement and return it to the Peyton Shipwash. Retain a second copy for your reference.

Welcome

It is our privilege to welcome you to Industrial Tubular Catalyst Services. We wish you every success in your new job, and we hope that you quickly feel at home. This Handbook was developed to describe some of the expectations we have for all of our employees and what you can expect from us. We hope that your experience here will be challenging, enjoyable, and rewarding. Again, welcome!

Introduction

This Employee Handbook (“Handbook”) is a compilation of personnel policies, practices and procedures currently in effect at Industrial Tubular Catalyst Services (“Company”). The Handbook is designed to introduce you to our Company, familiarize you with Company policies, provide general guidelines on work rules, benefits and other issues related to your employment, and help answer many of the questions that may arise in connection with your employment.

This Handbook is not a contract of employment, and does not create a contract of employment. Like most American companies, Industrial Tubular Catalyst Services generally does not offer individual employees formal employment contracts with the Company. This Handbook does not create a contract, express or implied, guaranteeing you any specific term of employment, nor does it obligate you to continue your employment for a specific period of time. The purpose of the Handbook is simply to provide you with a convenient explanation of present policies and practices at the Company. This Handbook is an overview or a guideline. It cannot cover every matter that might arise in the workplace. For this reason, specific questions regarding the applicability of a particular policy or practice should be addressed to Peyton Shipwash.

The Company reserves the right to modify any of our policies and procedures, including those covered in this Handbook, at any time. We will seek to notify you of such changes by email and other appropriate means. However, such a notice is not required for changes to be effective.

Work general policies

Employee Privacy Policy

In this age of the Internet where privacy has become an increasing concern, we take your privacy very seriously. The privacy and security of your personal data (“Personal Information”) which we collect from you is important to us. It is equally important that you understand how we handle this data. The Company will not knowingly collect or use Personal Information in any manner not consistent with this policy, as it may be amended from time to time, and applicable laws.

Collection of Information

In the course of conducting our business and complying with federal, state, and local government regulations governing such matters as employment, tax, insurance, etc., we must collect Personal Information from you. The nature of the information collected varies somewhat for each employee, depending on your employment responsibilities, the location of the facility where you work, and other factors. We collect Personal Information from you solely for business purposes, including those related directly to your employment with the Company, and those required by governmental agencies.

Use of the Information Collected

The primary purposes for collection, storage and/or use of your Personal Information include, but are not limited to:

- **Human Resources Management.** We collect, store, analyze, and share (internally) Personal Information in order to attract, retain, and motivate a highly qualified workforce. This includes recruiting, compensation planning, succession planning, reorganization needs, performance assessment, training, employee benefit administration, compliance with applicable legal requirements, and communication with employees and/or their representatives.
- **Business Processes and Management.** Personal Information is used to run our business operations including, for example, scheduling work assignments, managing Company assets, reporting and/or releasing public data (e.g., annual reports, etc.); and populating employee directories. Information may also be used to comply with government regulation.
- **Safety and Security Management.** We use such Personal Information as appropriate to ensure the safety and protection of employees, assets, resources, and communities.
- **Communication and Identification.** We use your Personal Information to identify you and to communicate with you.

Limited Disclosure

The Company acts to protect your Personal Information and ensure that unauthorized individuals do not have access to such information by using security measures to protect Personal Information. We will not knowingly disclose, sell, or otherwise distribute your Personal Information to any third party without your knowledge and, where appropriate,

your express written permission, except where disclosure is reasonably necessary to comply with the law.

Security of Personal Information

We employ reasonable security measures and technologies, such as password protection, encryption, physical locks, etc., to protect the confidentiality of your Personal Information. Only authorized employees have access to Personal Information. If you are an employee with such authorization it is imperative that you take the appropriate safeguards to protect such information. Paper and other hard copy containing Personal Information (or any other confidential information) should be secured in a locked location when not in use. Computers and other access points should be secured when not in use by logging out or locking. Passwords and user IDs should be guarded and not shared. When no longer necessary for business purposes, paper and hard copies should be immediately destroyed using paper shredders or similar devices. Do not leave copies in unsecured locations waiting to be shredded or otherwise destroyed. Do not make or distribute unauthorized copies of documents or other tangible mediums containing Personal Information. Electronic files containing Personal Information should only be stored on secure computers and not copied or otherwise shared with unauthorized individuals within or outside of the Company.

The Company will make reasonable efforts to secure Personal Information stored or transmitted electronically from hackers or other persons who are not authorized to access such information.

Any violation or potential violation of this policy should be reported to your immediate supervisor, designated manager, or Peyton Shipwash. The failure by any employee to follow these privacy policies may result in discipline up to and including discharge of the employee. Any questions or suggestions regarding this policy may also be directed to your immediate supervisor, designated manager, or Peyton Shipwash.

Inclement Weather Policy

The Company is open for business unless there is a government-declared state of emergency or unless you are advised otherwise by your supervisor. There may be times when we will delay opening, and on rare occasions, we may have to close. Use common sense and your best judgment when traveling to work in inclement weather.

In the event that the Company's facilities are closed by the Company or the government, employees will be paid for the day. If the Company's facilities are open and you are delayed getting to work or cannot get to work at all because of inclement weather, the absence will be charged to (1) paid time off or (2) unpaid time off, in that order. You should always use your judgment about your own safety in getting to work.

When severe weather develops or is anticipated to develop during the day and a decision is made by the Company to close before the scheduled end of the business day, you will be compensated as if you had worked to the end of your regularly scheduled hours for that day. If you elect to leave prior to the time the Company closes, you will be required to use paid time off in an amount equal to the number of hours between the time you left and the time the office closed.

Dress Code and Public Image Policy

As an employee of the Company, we expect you to present a clean and professional appearance when you represent us, whether you are in or outside of the office. You are, therefore, required to dress in appropriate business attire and to behave in a professional, businesslike manner. It is essential that you act in a professional manner and extend the

highest courtesy at all times to co-workers, visitors, customers, vendors and clients.

The current Company dress code is business casual. Please keep in mind that the Company is a professional business office, where clients and others often visit. Generally, clean, neat clothing is acceptable. As always, please use common sense in your choice of business attire.

It is the intent of this policy to comply with applicable state, local and federal laws prohibiting discrimination on the basis of color, race, religion, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information and any other status protected under such laws.

Workspace Policy

Employees are responsible for maintaining the workspace assigned to them. A clean, orderly workspace provides an environment conducive to working efficiently. Employees should keep in mind that their workspace is part of a professional environment that portrays the Company's overall dedication to providing quality service to its clients. Therefore, your workspace should be clean, organized and free of items that are not required to perform your job.

Office Equipment Policy

Certain equipment is assigned to staff depending on the needs of the job, such as a calculator, personal computer, printer and access to our central computers and servers. This equipment is the property of the Company and cannot be removed from the office without prior approval from your supervisor. The Company expects that you will treat this equipment with care and report any malfunctions immediately to staff members equipped to diagnose the problem and take corrective action.

Personnel Records Policy

It is important that the Company maintain accurate personnel records at all times. You are responsible for notifying your immediate supervisor or the Peyton Shipwash of any change in name, home address, telephone number, immigration status, or any other pertinent information. By promptly notifying the Company of such changes, you will avoid compromise of your benefit eligibility, the return of W-2 forms, or similar inconvenience.

Performance Reviews, Salary Reviews Policy

An employee's first performance review will take place after the first 6 months of employment with the Company. Thereafter, performance reviews will normally be conducted every 6 months. All performance reviews will be completed in writing by your supervisor or manager on the form designated by the Company, and reviewed during a conference with you. Factors considered in your review include the quality of your job performance, your attendance, meeting the requirements of your job description, dependability, attitude, cooperation, compliance with Company employment policies, any disciplinary actions, and year-to-year improvement in overall performance. Compensation increases are given by the Company at its discretion in consideration of various factors, including your performance review.

Promotions and Transfers Policy

In an effort to match you with the job for which you are most suited and/or to meet the business and operational needs of the Company, you may be transferred from your current job. This may be either at your request or as a result of a decision by the Company.

Reasons for transfer may include, but are not necessarily limited to, fluctuations in department workloads or production flow, a desire for more efficient utilization of personnel, increased career opportunities, personality conflicts, health, other personal situations or other business reasons. Temporary transfers may be made at the discretion of the Company management.

Most job openings that are intended to be filled from within the Company will be posted {{PromotionsAndTransfersPostLocation}}. The management of the Company does reserve the right, however, to transfer or promote an employee without posting the availability of that position.

An employee is eligible to request a transfer and to be considered for a promotion upon completion of 12 months of satisfactory job performance. (However, a transfer may take place within the first six (6) months of employment if the management of the Company believes that it is in the best interest of the Company to make an exception to this guideline.) Your eligibility is also dependent, of course, on your having the needed skills, education, experience and other qualifications that are required for the job.

Dispute Resolution Policy

In a perfect world, every employment relationship would be smooth and harmonious. However, there are times when employees and employers disagree. These disagreements often arise in the context of involuntary employment termination, but there may be disagreements regarding the right to a promotion, expense reimbursement, or on other matters.

To the extent permitted by applicable law, all employees of the Company agree to first seek to mediate any dispute with the Company with a mediator from the American Arbitration Association or similar organization trained and experienced in employment disputes. If mediation is not successful, both the Company and the employee agree to submit their dispute to arbitration. The arbitrator will be chosen from a panel presented by the American Arbitration Association or such other organization as is acceptable to both parties. The cost of the arbitrator will be split between the Company and the employee. Each party will be responsible for its own attorney or other related fees. Both the Company and the employee acknowledge that by agreeing to arbitrate, each gives up its right to litigate their employment dispute in court or to submit it to a jury. The decision of the arbitrator is final and binding.

However, either party may seek to have a court of competent jurisdiction enforce an arbitration award. In addition, the Company retains the right to seek injunctive or other relief in the case of misappropriation of trade secrets or other confidential information, or any other action by an employee which might reasonably be expected to lead to irreparable harm to the Company.

Although we seek to provide a workplace in which all employees feel that they are an important part of the Company and where employees feel fairly treated, there may be times when you have a dispute with a supervisor or the Company which can best be resolved through a formal procedure for dispute resolution. All disputes between any employee and the Company are to be resolved in accordance with the following procedure. Please note, however, that the Company reserves the right to modify this procedure at any time and nothing in this procedure should be construed to constitute a contract between you and the Company or to constitute any part of a contract between you and the Company.

Any dispute between you and the Company may be resolved using this grievance procedure, with the exception of

oral reprimands which are not recorded in your personnel file.

A grievance is a complaint by an employee concerning any matter related to the employee's employment with the Company. All grievances must be in writing. Using the form provided by the Company, you must state clearly and concisely all the known facts related to your grievance, including "who, what, where, when and the why." Clearly explain why you disagree with the act or omission that forms the basis for the grievance. Also explain what remedy you are requesting. You must sign and date the grievance.

Grievance Procedure Policy

Preliminary Step

You must first address your grievance with your immediate supervisor. This may be done orally in informal discussion. If your informal attempts to resolve the matter are not successful, you may implement the formal grievance process.

Step 1

You must first submit your grievance in writing to your immediate supervisor. Grievances must be submitted within thirty (30) calendar days following the date you first knew or should have known of the grievance. If you do not submit the grievance within the thirty (30) day period, you waive your right to assert it.

Your supervisor will respond in writing within ten (10) days following receipt of your grievance. All grievances and replies in Step 1 must be in writing. If the grievance is not settled in Step 1, then you may proceed to Step 2.

Step 2

Within ten (10) days following your receipt of the written answer to your Step 1 grievance from your supervisor, you may appeal the disposition of your grievance by your supervisor to your Department Head. The Department Head will then undertake an investigation of your grievance and the underlying facts. Within 15 business days following receipt of your grievance, the Department Head will meet with you in person to discuss your grievance. The Department Head will then provide a written response to your grievance within 15 business days following the date of your meeting.

Step 3

If you are not satisfied with the response of the Department Head at Step 2, you may submit your grievance to the President of the Company or the President's designee for review within five (5) days following receipt of the written response from your Department Head. The President or his or her designee will review the grievance and provide a written response within 15 business days following receipt of the Step 3 grievance.

Step 4

You may appeal a Step 3 grievance to Step 4 and request final and binding arbitration of your grievance. The request for arbitration must be in writing and must be made within 30 days following receipt of the response of the President or the President's designee at Step 3.

Upon receipt of your request, the Company will, within ten (10) working days of its receipt of your request, ask the

Federal Mediation and Conciliation Service or the American Arbitration Association to provide a list of prospective arbitrators. The parties will choose an arbitrator from the list provided. If the parties cannot agree upon the choice of an arbitrator, then you and the Company will ask the American Arbitration Association to appoint an arbitrator to hear your case.

All fees or expenses of arbitration, including, without limitation, the arbitrator's fees and expenses, and rental of a venue for the arbitration, if necessary, shall be borne equally by the parties. Each party will pay its own attorneys' fees or costs other than the arbitrator's fees and expenses.

The grievant bears the burden of proof as to the validity of the grievance.

The decision of the arbitrator shall be in writing and the decision is final and binding. Arbitration is the exclusive forum for resolution of discipline and discharge cases, and both the Company and you waive your right to bring any action in court or to submit such matter to a jury. Either party may, however, seek to enforce an arbitrator's award in a court of competent jurisdiction. In addition, the Company retains the right to seek injunctive or other relief in the case of misappropriation of trade secrets or other confidential information, or any other action by an employee which might reasonably be expected to lead to irreparable harm to the Company.

Equal Employment Opportunity Policy (TX)

The Company is an equal opportunity employer. We will extend equal opportunity to all individuals without regard to race (including hair textures or protective hairstyles commonly or historically associated with race), color, disability, religion (including any aspect of religious observance, practice or belief), national origin, age, sex (including pregnancy, childbirth or related medical conditions) or any other status protected under applicable federal, state or local laws. Our policy reflects and affirms the Company's commitment to the principles of fair employment and the elimination of all discriminatory practices. Details of our equal employment opportunity policies are further explained in Anti-Discrimination & Harassment.

Employment Classifications Policy

The following terms will be used to describe employment classifications and status:

Exempt Employees

Exempt employees are individuals not subject to overtime pay laws. In general, overtime laws require that exempt employees:

- Receive a pre-determined weekly salary that is not subject to change based on the employee's work quality or quantity;
- Receive a salary that is at least equal to the salary level set by law; and
- Meet the requirements of an exempt job classification.

The federal Fair Labor Standards Act (FLSA) sets the most common set of overtime exemption standards. However, but additional state and local laws may also apply. Under the FLSA, the salary level is \$844 per week (\$43,888 per year) and exemptions exist for administrative, professional, or management positions. Certain outside sales persons and a few other job categories are also exempt.

Non-Exempt Employees

Salaried employees who do not meet all criteria for an overtime exemption and many hourly employees are generally not exempt from overtime pay requirements.

Full-Time Employees

Full-time employees are those who are regularly scheduled to work at least 40 hours per week that are not hired on a temporary basis.

Temporary Employees

Temporary employees are hired for an interim period of time, usually to fill in for vacations, leaves of absence, or projects of a limited duration. Temporary employees are not eligible for Company-paid benefits, except as required by law.

Seasonal Employees

Seasonal employees are those hired into a position for which the customary annual employment is 6 months or less. Seasonal employees are generally not eligible for benefits.

If your status changes from temporary or seasonal to part-time or full-time, you are considered hired on the date you become a full-time or part-time employee for purposes of calculating eligibility for benefits that require a minimum term of employment.

Disclaimer on Restrictions on Employee Rights Under the National Labor Relations Act

The policies in the Company's handbook are not intended to preclude or dissuade employees from engaging in legally protected activities under federal, state or local law, including the National Labor Relations Act (NLRA). To that end, nothing in this handbook will be interpreted, applied or enforced to interfere with, restrain or coerce employees in exercising their rights under Section 7 of the NLRA, which guarantees employees the right to self-organization, to form, join, or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, as well as the right to refrain from any or all such activities.

To the extent that the employees of the Company are covered by the NLRA, nothing in this handbook prevents employees from:

- Discussing wages, benefits and other working terms and conditions with co-workers or a union;
- Organizing a union to negotiate with the Company concerning wages, hours, and other terms and conditions of employment;
- Forming, joining or assisting a union, such as by sharing employee contact information;
- Talking about or soliciting for a union during nonwork time, such as before or after work or during break times;
- Distributing union literature during nonwork time, in nonwork areas;
- Taking action with one or more co-workers to improve working conditions by, among other means, raising work-related complaints directly with the Company or a government agency, or seeking help from a union;
- Wearing union hats, buttons, t-shirts and pins in the workplace;
- Engaging in other legally required activities; and

- Choosing not to engage in any of these activities;

Technology

Email Policy

The email system is the property of the Company. All emails are archived on the server in accordance with our records retention policy, and all emails are subject to review by the Company. You may make limited use of our email system for personal business matters, so long as such use is kept to a minimum and does not interfere with your work.

The Company email system is Company property, and as such, is subject to monitoring. System monitoring is done for your protection and the protection of the rights or property of the provider of these services. Please consider this when conducting personal business using Company hardware and software.

Electronic mail is like any other form of Company communication, and may not be used for harassment or other unlawful purposes. Your email account is a Company-provided privilege, and is Company property. Remember that when you send email from the Company domain, you represent the Company whether your message is business-related or personal.

Confidentiality of Electronic Mail

As noted above, electronic mail is subject at all times to monitoring, and the release of specific information is subject to applicable laws and Company rules, policies and procedures on confidentiality. Existing rules, policies and procedures governing the sharing of confidential information also apply to the sharing of information via commercial software.

Social Media Policy

The term “social media” includes all means of communicating or posting information or content of any sort on the internet, including to your own or someone else’s web log or blog, journal or diary, personal website, social networking or affinity website, web bulletin board, or a chat room, whether or not associated or affiliated with the Company, as well as any other form of electronic communication. The same principles and guidelines found in the Company rules, policies and procedures apply to an employee’s social media activities online.

Any conduct that adversely affects an employee’s job performance or the performance of fellow employees, or otherwise adversely affects the Company’s legitimate business interests, may result in disciplinary action, up to and including termination. Similarly, inappropriate postings, including but not limited to discriminatory remarks, harassment, and threats of violence, or similar inappropriate or unlawful conduct, will not be tolerated and may result in disciplinary action, up to and including termination. However, this restriction will not apply to any postings made in the exercise of any rights granted to an employee by federal law.

Telephone Policy

Access to the Company telephone system is given principally for work-related activities or approved educational/training activities. Incidental and occasional personal use is permitted. This privilege should not be abused and must not affect the employee’s performance of employment-related activities. Telephone usage should be based upon cost-effective practices that support the Company’s mission and should comply with applicable rules and regulations.

You should use common sense and your best judgment when making or receiving personal cellular phone calls at work. To the extent possible, employees should make personal cellphone calls during their breaks or lunch times. The use of cameras on cell phones during work hours is prohibited to protect the privacy of the Company as well as of fellow employees. However, this restriction will not apply to any recordings made in the exercise of any rights granted to an employee by federal law.

The Company telephone system is at all times the property of the Company. By accessing the telephone system through facilities provided by the Company, you acknowledge that the Company has the right to monitor its telephone system from time to time to ensure that employees are using the system for its intended purposes.

The Company prohibits the use of handheld cellular devices while driving. Employees are strongly encouraged to use a hands-free cellular device while driving, should the use become a necessity in the course of employment. Sending and/or receiving text messages is expressly prohibited while operating any vehicle.

Internet Policy

Access to the internet is given principally for work-related activities or approved educational/training activities. Incidental and occasional personal use and study use is permitted. This privilege should not be abused and must not affect the employee's performance of employment-related activities.

Right to Monitor

The Company email and internet system is at all times the property of the Company. By accessing the internet, intranet and electronic mail services through facilities provided by the Company, you acknowledge that the Company (by itself or through its Internet Service Provider) may from time to time monitor, log and gather statistics on employee internet activity and may examine all individual connections and communications. Please note that the Company uses email filters to block spam and computer viruses. These filters may from time to time block legitimate email messages.

Responsibilities and Obligations

Employees may not access, download or distribute material that is illegal, or which others may find offensive or objectionable, such as material that is pornographic, discriminatory, harassing, or an incitement to violence.

You must respect and comply with copyright, trademark and similar laws, and use such protected information in compliance with applicable legal standards. When using web-based sources, you must provide appropriate attribution and citation of information to the websites. Software must not be downloaded from the internet without the prior approval of qualified persons within the Company.

Violation of this Policy

In all circumstances, use of internet access and email systems must be consistent with the law and Company policies. Violation of this policy is a serious offense and, subject to the requirements of the law, may result in a range of sanctions, from restriction of access to electronic communication facilities to disciplinary action, up to and including termination.

Safety and substance abuse

Smoking Policy

In order to provide a safe and comfortable working environment for all employees, smoking and vaping are strictly prohibited at all times inside any Company building or within 20 feet of any building entrance, window, or ventilation system.

Drug-Free Workspace Policy

The Company takes the problem of drug and alcohol abuse seriously, and is committed to providing a substance abuse-free workplace for its employees. Substance abuse of any kind is inconsistent with the behavior expected of our employees, subjects all employees and visitors to our facilities to unacceptable safety risks, and undermines our ability to operate effectively and efficiently. The Company has adopted a formal policy related to substance abuse. A copy of the complete policy is contained in this Handbook.

Substance Abuse Policy

The Company recognizes alcohol and drug abuse as potential health, safety and security problems. The Company expects all employees to assist in maintaining a work environment free from the effects of alcohol, drugs or other intoxicating substances. Compliance with this substance abuse policy is made a condition of employment, and violations of the policy may lead to discipline and/or discharge.

All employees are prohibited from engaging in the unlawful manufacture, possession, use, distribution or purchase of illicit drugs, alcohol or other intoxicants, as well as the misuse of prescription drugs on Company premises or at any time and any place during working hours. While we cannot control your behavior off the premises on your own time, we certainly encourage you to behave responsibly and appropriately at all times. All employees are required to report to their jobs in appropriate mental and physical condition, ready to work.

Substance abuse is an illness that can be treated. Employees who have an alcohol or drug abuse problem are encouraged to seek appropriate professional assistance. You may ask your immediate supervisor, designated manager or Peyton Shipwash for assistance in seeking help to address substance abuse. He or she can also help you determine coverage available under the Company's medical insurance plan.

When work performance is impaired, admission to or use of a treatment or other program does not preclude appropriate action by the Company.

Any violator of this substance abuse policy will be subject to disciplinary action up to and including termination of employment.

Discrimination, ADA, harassment, etc.

Discrimination Is Prohibited Policy

The Company is an equal opportunity employer and makes all employment decisions without regard to race, religion, color, sex (including pregnancy, sexual orientation and gender identity), national origin, disability, age, genetic information or any other status protected under applicable federal, state or local laws. This policy applies to all terms and conditions of employment, including but not limited to, hiring, placement, promotion, termination, layoff, recall, transfer, leaves of absence, benefits, compensation and training. We seek to comply with all applicable federal, state and local laws related to discrimination and will not tolerate the interference with the ability of any of the Company's employees to perform their job duties.

The Company makes decisions concerning employment based strictly on an individual's qualifications and ability to perform the job under consideration, the comparative qualifications and abilities of other applicants or employees, and the individual's past performance within the organization.

If you believe that an employment decision has been made that does not conform with management's commitment to equal opportunity, you should promptly bring the matter to the attention of your immediate supervisor, designated manager or Peyton Shipwash. Your complaint will be promptly, thoroughly and impartially investigated. There will be no retaliation against any employee who files a complaint in good faith, even if the result of the investigation produces insufficient evidence to support the complaint.

Americans With Disabilities Act Policy (TX)

Americans with Disabilities Act The federal Americans with Disabilities Act (ADA) and Texas nondiscrimination law prohibit discrimination against qualified individuals with disabilities in job application procedures, hiring, firing, advancement, compensation, fringe benefits, job training and other terms, conditions and privileges of employment. The laws do not alter the Peyton Huggins's right to hire the best-qualified applicant, but they do prohibit discrimination against a qualified applicant or employee because of his or her disability, or because of a perceived disability. As a matter of Peyton Shipwash policy, the Peyton Shipwash prohibits discrimination of any kind against people with disabilities. **Disabled Defined** An applicant or employee is considered disabled if he or she (1) has a physical or mental impairment that substantially limits one or more major life activities; (2) has a record or past history of such an impairment; or (3) is regarded or perceived (correctly or incorrectly) as having such impairment. A qualified employee or applicant with a disability is an individual who satisfies the requisite skill, experience, education and other job-related requirements of the position held or desired, and who, with or without reasonable accommodation, can perform the essential functions of that position. **Reasonable Accommodation** A reasonable accommodation is any change in the work environment (or in the way things are usually done) to help a person with a disability apply for a job, perform the duties of a job, or enjoy the benefits and privileges of employment. Qualified applicants or employees who are disabled should request reasonable accommodation from the Company in order to allow them to perform a particular job. If you are disabled and you desire such reasonable accommodation, contact your immediate supervisor, designated manager or Peyton Shipwash. On receipt of your request, we will meet with you to discuss your disability. We may ask for information from your health care provider(s) regarding the nature of your disability and the nature of your limitations, or take other steps necessary to help us determine viable options for reasonable accommodation. We will then work with you to determine whether your disability can be reasonably accommodated, and if it can be accommodated, we will explore alternatives with you and endeavor to implement a mutually agreeable accommodation. Reasonable accommodation may take many forms, and it will vary from one employee to another. Please note that according to the ADA and Texas law, the Peyton Shipwash does not have to

provide the exact accommodation you want, and if more than one accommodation works, we may choose which one to provide. Furthermore, the Peyton Shipwash does not have to provide an accommodation if doing so would cause undue hardship to the Peyton Shipwash.

Workplace Harassment Policy (TX)

The Company is committed to maintaining a work environment that is free from harassment and retaliation for participating in any protected activity covered by this policy. In keeping with this commitment, the Company has adopted a “zero tolerance” policy with regard to workplace harassment. This policy applies to all Company applicants and employees and extends to conduct that takes place at any work-related setting, including events away from Company’s premises, such as during business trips or employer-sponsored events.

Sexual Harassment

The Company strictly prohibits and will not tolerate harassment on the basis of an individual’s sex or gender (including gender identity, sexual orientation, status as a transgender or transsexual individual, and pregnancy, childbirth and related medical conditions). Sexual harassment is prohibited by federal, state and local laws. Sexual harassment means any harassment based on an individual’s sex or gender. It includes conduct of a sexualized nature (such as and is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature), as well as conduct that is not sexual in nature (such as offensive remarks about an individual’s sex or gender), when such conduct:

1. Explicitly or implicitly affects a term or condition of an employee’s employment;
2. Is used as the basis for employment decisions affecting the employee; or
3. Unreasonably interferes with an employee’s work performance or creates an intimidating, hostile or offensive working environment.

Sexually harassing conduct may include, but is not limited to:

- **Verbal:** Sexual innuendos, suggestive comments, insults, humor and jokes about sex, anatomy or gender-specific traits, sexual propositions, threats, repeated requests for dates, or statements about other employees, even outside of their presence, of a sexual nature.
- **Non-Verbal:** Suggestive or insulting sounds (whistling), leering, obscene gestures, sexually suggestive bodily gestures, “catcalls”, “smacking” or “kissing” noises.
- **Visual:** Posters, signs, pin-ups or slogans of a sexual nature, viewing pornographic material or websites.
- **Physical:** Touching, unwelcome hugging or kissing, pinching, brushing the body, any coerced sexual act, or actual assault.
- **Textual/Electronic:** “Sexting” (electronically sending messages with sexual content, including pictures and video), the use of sexually explicit language, harassment, cyber stalking and threats via all forms of electronic communication (e-mail, text/picture/video messages, intranet/on-line posting, blogs instant messages and social network websites like Facebook and X (formerly Twitter)).

This list is illustrative and not exhaustive. The Company will not tolerate any form of sexual harassment.

Other Forms of Harassment

The Company also prohibits and will not tolerate any other form of workplace harassment. Harassment is prohibited by federal, state and local laws and is defined as unwelcome conduct that is based on an individual’s actual or perceived race (including traits commonly or historically associated with race such hair texture or protective

hairstyles), color, religion, sex (including gender identity, sexual orientation, and pregnancy, childbirth and related medical conditions), national origin, age (40 or older), military status, disability, genetic information, or any other characteristic protected under applicable federal, state or local law. Harassment becomes unlawful where:

1. Enduring the offensive conduct becomes a condition of continued employment; or
2. The conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile or abusive.

Harassing conduct may include, but is not limited to:

- **Verbal:** Epithets, derogatory statements, jokes or slurs.
- **Non-Verbal:** Displaying offensive posters, cartoons or drawings or making derogatory gestures.
- **Physical:** Assault or inappropriate physical touch or contact.
- **Textual/Electronic:** The use of offensive or derogatory language, harassment, cyber stalking and threats via all forms of electronic communication (e-mail, text/picture/video messages, intranet/on-line posting, blogs instant messages and social network websites like Facebook and X (formerly Twitter)).

Reporting Harassment

Any employee who believes they have been subjected to, or witnesses, harassing conduct is encouraged to notify their supervisor, a member of their supervisory chain or the Peyton Shipwash. The Peyton Shipwash has the authority to receive and investigate complaints of harassment and retaliation. The Company will promptly and thoroughly investigate all claims of harassment and take prompt corrective action, if appropriate.

Supervisors and managers have an obligation to report allegations of harassment from subordinate employees and any incidents of harassing conduct that they witness to the Peyton Shipwash so that an investigation can be made and appropriate corrective action can be taken.

Employees may submit complaints to the Peyton Shipwash either verbally or in writing via 281-479-4277 x 101.

Investigations

The Peyton Shipwash will promptly, thoroughly and impartially investigate any allegations of harassment or retaliation. The identity of any individual who submits a complaint, witness who provides information regarding a complaint and the target of the complaint will be kept confidential to the extent possible consistent with a thorough and impartial investigation. Further, any information gathered as part of an investigation will be kept confidential to the extent possible consistent with a thorough and impartial investigation.

Employees who are found to have violated any provision of this policy will be subject to appropriate corrective and/or disciplinary measures, up to and including termination of employment.

Prohibition on Retaliation

The Company strictly prohibits retaliation against any employee or applicant who, in good faith, reports harassment, provides information related to such complaints or cooperates in related investigations. Employees found to have engaged in retaliatory conduct or behavior will be subject to timely and appropriate corrective and/or disciplinary action, up to and including termination of employment.

If an employee believes that they or someone else has been subjected to conduct that violates the Company's retaliation policy, they should report it immediately to their supervisor, a member of their supervisory chain or the Peyton Shipwash.

Procedures for Reporting and Investigating Harassment Policy

Employees should report incidents of inappropriate behavior or sexual harassment as soon as possible after the occurrence. Employees who believe they have been harassed, regardless of whether the offensive act was committed by a manager, co-worker, vendor, visitor or client, should promptly notify their immediate supervisor, designated manager or Peyton Shipwash. If the employee's immediate supervisor is involved in the incident, the employee should report the incident to the 281-479-4277 x 101. The Company takes claims of harassment seriously, no matter how trivial a claim may appear. All complaints of harassment, sexual harassment, or other inappropriate sexual conduct will be promptly, thoroughly and impartially investigated by the Company.

The Company prohibits retaliation against any employee who files or pursues a harassment claim. To the extent possible, all complaints and related information will remain confidential, except to those individuals who need the information to investigate, educate or take action in response to the complaint.

All employees are expected to cooperate fully with any ongoing investigation regarding a harassment incident. Employees who believe they have been unjustly charged with harassment can defend themselves verbally or in writing at any stage of the investigation.

To protect the privacy of persons involved, confidentiality will be maintained throughout the investigatory process to the extent practicable and appropriate under the circumstances. Investigations may include interviews with the parties involved, and, where necessary, individuals who may have observed the alleged conduct or who may have relevant knowledge.

At the conclusion of a harassment investigation, the complainant and the alleged "harasser" will be informed of the determination. Where appropriate, the "harasser" and the "victim" may be offered mediation or counseling through an employee assistance program (EAP).

Penalties for Violation of Anti-Harassment Policy

If it is determined that inappropriate conduct has occurred, the Company will act promptly to eliminate the offending conduct, and take such action as is appropriate under the circumstances. Such action may range from counseling to termination of employment, and may include such other forms of disciplinary action (such as, for example, suspension), as the Company deems appropriate under the circumstances and in accordance with applicable law.

Penalties for Violation of Anti-Harassment Policy

If it is determined that inappropriate conduct has occurred, the Company will act promptly to eliminate the offending conduct, and take such action as is appropriate under the circumstances. Such action may range from counseling to termination of employment, and may include such other forms of disciplinary action (such as, for example, suspension), as the Company deems appropriate under the circumstances and in accordance with applicable law.

COBRA Policy (TX)

Federal law generally requires employers with 20 or more employees to give employees, spouses and dependent children the right to continue group health benefits for limited periods of time under certain circumstances, such as voluntary or some types of involuntary job loss, reduction in hours worked, death, divorce and other life events. Employees ordinarily may continue their health coverage for up to 18 months when their employment is terminated.

Employees and dependents who are eligible for continuation coverage under federal law may continue coverage for an additional six months under Texas law after federally mandated coverage is exhausted. In addition, Texas law generally requires employers to give employees, spouses and dependent children not eligible for federally mandated continuation coverage the right to continue group coverage for up to nine months when that coverage is terminated for any reason other than involuntary termination for cause. Additionally, employers must offer eligible family members and dependents a 36-month continuation period if their coverage under the group health policy would end due to severance of the family relationship or the retirement or death of the employee.

Working hours

Hours of Work Policy - Office

The workweek is generally from 8 am through 5 pm , with normal operating hours from Monday to Friday, with 60 minutes for lunch.

Overtime Hours Policy

Because of the nature of our business, your job may periodically require overtime work. If the Company requires that you work overtime, we will give you as much advance notice as possible. You should not work overtime hours without prior approval by your immediate supervisor or the designated manager.

Attendance and Punctuality Policy

It is important for you to report to work on time and to avoid unnecessary absences. The Company recognizes that illness or other circumstances beyond your control may cause you to be absent from work from time to time. However, frequent absenteeism or tardiness may result in disciplinary action, up to and including discharge. Excessive absenteeism or frequent tardiness puts an unnecessary strain on your co-workers and can have a negative impact on the success of the Company.

You are expected to report to work when scheduled. Whenever you know in advance that you are going to be absent, you should notify your immediate supervisor or the designated manager. If your absence is unexpected, you should attempt to reach your immediate supervisor as soon as possible, but in no event later than one hour before you are due at work. In the event your immediate supervisor is unavailable, you must speak with a manager. If you must leave a voicemail, you must provide a number where your supervisor may reach you if need be.

Please note that some, but not all, absences are compensated under the Company's leave policies.

You are expected to be at your workstation at the beginning of each business day. If you are delayed, you must call your immediate supervisor to state the reason for the delay. As with absences, you must make every effort to speak directly with a manager. Regular delays in reporting to work will result in disciplinary action up to and including discharge.

Time off & leave

Vacation Policy

Full-time employees earn vacation leave as follows:

Full time employees for over a year will receive their PTO Vacation hours at the start of the calendar year.

Employees who have not been full time for a full year will receive PTO Vacation on their first anniversary.

Accrual and Use

Vacation PTO Hours are as follows, Years 1 & 2 = 40 Hours; Years 3 & 4 = 80 Hours; Years 5+ = 120 Hours. Once the cap is reached, an employee will not be able to accumulate any more vacation leave for the year. At the end of the calendar year, any hours not worked will be lost, they will not be paid out or rolled to the next year.

Procedure

You must submit request form for vacation leave to your supervisor & HR as soon as you know when you wish to schedule your vacation leave, but in no event less than two weeks prior to the time requested. Vacation leave requests are approved by your immediate supervisor & HR / Payroll. Vacation leave is coordinated so that sufficient staff is available to provide adequate coverage at all times, and there may be “blackout dates” on which no leave will be granted. Vacation leave requests are granted on a first-come, first-served basis. In the event of a conflict in vacation leave requests, your supervisor will consider staffing needs during the relevant period, as well as the length of service of the employees involved. NOTE: PTO is paid at your base / shop rate.

Personal Leave (TX)

Personal leave may be used for personal business that cannot be tended to during work hours. You are not required to give any specific reason for using your personal leave. However, when you do take personal leave, you should give your immediate supervisor as much advance notice as possible. Personal Leave is unpaid and full-time employees may only use 3 weeks of unpaid leave in one calendar year before reclassification. If an employee is taking more than one week off consecutively, they must pay for any insurance benefits in advance.

Procedure

When you are absent from work and your absence has not been previously scheduled, you must personally notify your immediate supervisor or manager as soon as you are aware that you will be late or unable to report to work. Leaving a voicemail or message with another staff member does not qualify as notifying your supervisor.

Court Attendance Leave

Employers must allow eligible employees to attend certain hearings when their attendance is required. Employers also must allow employees to comply with a valid subpoena to appear in a civil, criminal, legislative, or administrative proceeding. Employees are covered by the hearing attendance leave provisions if they are employed in a permanent position.

Emergency Evacuation Leave

Employers cannot discharge or discriminate against employees who leave work to participate in a general public evacuation ordered under an emergency evacuation order. These requirements do not apply to:

- Emergency services personnel (for example, firefighters, police officers and emergency medical technicians), if the employer provides them with adequate emergency shelter; and
- Any person necessary to provide for the safety and well-being of the general public, including any person needed to restore vital services.

Foster Child Leave

Employers with 15 or more employees that provide leave to care for or otherwise assist employees' sick biological or adopted children must provide the same leave for an employee's foster child, if the child resides in the same household as the employee and is under the conservatorship of the Texas Department of Family and Protective Services.

Please contact Peyton Shipwash for more information about this leave for Company employees.

Sick Leave

Sick leave may be used for the following:

- Medical appointments for yourself or family members; or
- Your personal illness or injury, or that of a member of your family.

Full-time employees earn sick leave as follows:

Full time employees receive 24 hours (3 days) of PTO Sick Leave after 90 days of full-time employment per calendar year.

Accrual and Carryover

Employees begin to accrue sick leave when they begin work for the Company. Employees may use their sick leave at any time after the first 90 days of full-time employment.

Procedure

When you are absent from work due to an illness, injury or medical appointment, you must notify your immediate supervisor or manager as soon as you are aware that you will be late or unable to report to work. Leaving a voicemail or message with another staff member does not qualify as notifying your supervisor.

When your absence is due to your own illness, the Company reserves the right to require appropriate medical documentation. Such documentation must include your name, the date and time you were seen by a medical professional, and if applicable, a specific instruction regarding your incapacity to perform your job.

Family and Medical Leave Policy

A note about leave benefits

Employees may be entitled to leave benefits under federal, state and local laws. Additional benefits may apply during public emergencies and health crises. The policies in this handbook are based on established federal and state requirements. **Employees should contact Peyton Shipwash to learn more about short-term leave benefits provided by temporary, emergency laws.**

Company employees may be eligible to take unpaid family and medical leave under the federal Family and Medical Leave Act (FMLA). This policy provides an introduction to the rights and provisions of the federal FMLA. The Department of Labor's (DOL's) model notice is attached to this policy and further explains the FMLA. If you have questions about the FMLA, please contact Peyton Shipwash.

Eligibility

To be eligible for leave, you must have been employed by the Company for at least 12 months. In the 12 months immediately preceding the beginning of the leave, you must also have worked at least 1,250 hours to qualify for federal FMLA. In addition, 50 or more Company employees must be employed within 75 miles of the office or worksite where you work.

Amount of Leave Available

Eligible employees may take up to a total of 12 weeks of FMLA leave within a 12-month period. Please contact Peyton Shipwash for more information about how the 12-month period is calculated for FMLA leave. FMLA can be used for:

- The birth of an employee's child or the placement of a child with the employee for adoption or foster care
- To care for the employee's spouse, child or parent with a serious health condition
- The employee has a serious health condition that makes them unable to perform the functions of their job
- A qualifying exigency that arises because the employee's spouse, child, parent or next of kin is on covered active duty (or has been notified of an impending call or order to covered active duty) in the Armed Forces.

When leave is taken to care for a covered service member with a serious injury or illness, a spouse, child, parent or next of kin may take up to 26 weeks of unpaid FMLA leave during a single 12-month period (different calculations may apply for military exigency). Eligible employees are limited to a total of 26 workweeks of FMLA-protected leave during that 12-month period. For example, an employee cannot take 26 workweeks of FMLA leave to care for a covered service member and then take 12 more weeks for other FMLA qualifying reasons.

Under the federal FMLA, spouses employed by the Company are jointly entitled to a combined total of 12 weeks of leave for the birth of a newborn child, for the placement of a child for adoption or foster care or to care for a parent who has a serious health condition. The federal FMLA does not cover care for parents-in-law. Spouses employed by the Company are jointly entitled to a combined total of 26 weeks of leave to care for a covered service member.

Types of Leave Available

Birth or placement for adoption or foster care: FMLA leave is available to eligible male and female employees for the birth of a child or for the placement of a child with the employee for purposes of adoption or foster care. FMLA leave must be completed within 12 months of the birth or placement. This type of leave may not be taken intermittently or on a reduced schedule unless the Company agrees to this request. See below for more details on noncontinuous leave.

Serious health condition of employee: If, as an eligible employee, you experience a serious health condition as defined by the FMLA, you may take medical leave under this policy (see “Definitions” for the definition of serious health condition). A serious health condition generally occurs when you:

- Receive inpatient care in a hospital, hospice or nursing home
- Suffer a period of incapacity accompanied by continuing outpatient treatment or care by a health care provider
- Have a history of a chronic condition that may cause episodes of incapacity

The following provisions apply to leave for the serious health condition of an employee:

- *Noncontinuous leave*—Medical leave may be taken all at once or, when medically necessary, intermittently or on a reduced leave schedule (see below).
- *Certification process*—The need for leave must be documented by your treating health care provider through our medical certification process (see below).
- *Fitness-for-duty statement*—A fitness-for-duty statement will be required in order for you to return from a medical leave. Failure to provide the statement will result in a delay in your return to work.

Serious health condition of immediate family member: If, as an eligible employee, you need family leave in order to care for your child, spouse or parent who experiences a serious health condition as defined by the FMLA (see “Definitions” for definitions of child, spouse, parent and serious health condition), you may take a leave under this policy.

- *Noncontinuous leave*—Leave may be taken all at once or, when medically necessary, intermittently or on a reduced leave schedule (see below).
- *Certification process*—The need for leave must be documented by the family member’s treating health care provider through our medical certification process (see below).

Qualifying exigency because of active duty: If, as an eligible employee, you need family leave because of any qualifying exigency arising out of the fact that your spouse, son, daughter or parent is on covered active duty in the armed forces (including the National Guard or Reserves), or has been notified that they will be called or ordered to covered active duty in the armed forces (including the National Guard or Reserves), you may take family leave under this policy. (See “Definitions” for a definition of qualifying exigency)

- *Noncontinuous leave*—Family leave for any qualifying exigency arising out of the covered active duty of a family member may be taken all at once, intermittently or on a reduced leave schedule (see below).
- *Certification process*—The need for leave must be documented through our certification process (see below).

Service member family leave: If, as an eligible employee, you need family leave to care for a covered service member who is your spouse, child, parent or next of kin and who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status or is otherwise on the temporary disability retired list for a serious injury or illness, you may take up to 26 weeks of unpaid leave during a single 12-month period under this policy. (See “Definitions” for a definition of covered service member and serious injury or illness)

An eligible employee may take service member family leave to care for a covered veteran who is the employee’s spouse, child, parent or next of kin and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness. (See “Definitions” for a definition of covered veteran)

- *Noncontinuous leave*—Service member family leave may be taken all at once or, when medically necessary, intermittently or on a reduced leave schedule (see below).

- *Certification process*—The need for leave must be documented by the family member’s treating health care provider through our medical certification process (see below).

Providing Notice

Failure to provide adequate notice may, in the case of foreseeable leave, result in a delay of leave. It is your responsibility to notify your manager and Peyton Shipwash of absences that may be covered by the FMLA.

You must provide sufficient information regarding the reason for an absence for the Company to know that protection may exist under this policy. Failure to provide this information will result in delay or forfeiture of rights under this policy. This means the absence may then be counted against your record for purposes of discipline for attendance or similar matters.

Generally, an application for leave must be completed for all leave taken under this policy. A nonemergency leave should generally be requested from Peyton Shipwash at least 30 days, or as soon as practical, in advance of the date the leave is expected to begin.

In cases of emergency, you (or your representative, if you are incapacitated) should give verbal notice as soon as possible, and the application form should be completed as soon as practical.

Medical Certification Process

In addition to an application for leave, you will be required to complete a medical certification form when leave is for a family member’s or your own serious health condition. The certification form needs to be signed by the health care provider. The short-term disability certification may be sufficient where the information required is duplicative. These forms are available from Peyton Shipwash. Second or third certifications from health care providers and periodic recertification at the Company’s or your expense may be required under certain circumstances.

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

Military Family Leave Certifications

In addition to an application for leave, you will be required to complete a Certification of Qualifying Exigency for Military Family Leave form when leave is for a qualifying exigency. A copy of the military member’s active duty orders or other military documentation may also be required to substantiate your need for FMLA leave.

If you request leave to care for a covered service member with a serious injury or illness, you will be required to complete a medical certification form, which must be signed by the service member’s health care provider. The certification form will request additional information, such as information regarding the relationship between you and the covered service member, to substantiate your need for FMLA leave.

Noncontinuous Leave

Intermittent or reduced leave will be permitted only when it is medically necessary or for a qualifying exigency, as explained above. In all cases, the total amount of leave taken in a calendar year should not exceed your total allotment as defined earlier in this policy.

Intermittent and reduced schedule leave must be scheduled with minimal disruption to an employee’s job. To the extent possible, medical appointments and treatments related to an employee’s or family member’s serious health

condition should be scheduled outside of working hours or at such times that allow for a minimal amount of time away from work.

If you request non-continuous federal FMLA leave which is foreseeable based on planned medical treatment for yourself, a family member or a covered service member, you may be required to transfer temporarily to an available alternative position offered by the Company for which you are qualified and which better accommodates recurring periods of leave than your regular employment position. You will be entitled to equivalent pay and benefits, but will not necessarily be assigned the same duties in the alternative position. This provision may also apply if the Company approves a noncontinuous leave for the birth of a child or the placement of a child for adoption or foster care.

Benefit Continuation During Leave

The Company will maintain your group health plan coverage and certain other employment benefits (such as group life insurance, AD&D insurance, and health and dependent flexible spending accounts) during your FMLA leave on the same terms as if you had continued to work, if these benefits were provided to you before the leave was taken. You will be required to pay your regular portion of premiums. Contact Peyton Shipwash for an explanation of your options.

Benefits that are accumulated based upon hours worked will not accumulate during the period of FMLA leave.

In some instances, the Company may recover premiums it paid to maintain health plan coverage for an employee who fails to return to work from FMLA leave.

Returning to Work

If the reason for FMLA leave is for your own serious health condition, you will be required to 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, you must notify the Company of the change in circumstances as soon as possible, but no later than two working days prior to your desired return date.

If you exhaust all leave under this policy and are still unable to return to work, you must notify the Company as soon as possible. Your situation will be reviewed to determine what rights and protections might exist under other Company policies.

Rights upon Return from Leave

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

The law provides that an employee on leave has no greater rights 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.

Substitution of Paid Leave for Unpaid Leave

Under the FMLA, employees may choose or employers may require use of accrued paid leave while taking FMLA leave. Contact Peyton Shipwash for further information.

Other Types of Leave

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

Definitions

Spouse—A husband or wife as defined or recognized under state law for purposes of marriage in the state in which the marriage was entered into. This definition also includes an individual in a same-sex or common law marriage that was entered into in a state that recognizes these marriages. An opposite-sex, same-sex or common law marriage that was entered into outside of any state will be recognized if the marriage is valid in the place where it was entered into and the marriage could have been entered into in at least one state.

Parent—A biological parent, adoptive parent, stepparent, foster parent or an individual who provides or provided day-to-day care or financial support to the child. Parent does not include a parent-in-law under this law.

Child—A biological, adopted or foster child, stepchild, legal ward or a child who is receiving day-to-day care or financial support from the employee and is under the age of 18. Child also includes a person 18 years of age or older who is incapable of self-care because of a mental or physical disability. For military family or qualifying exigency leave, the child does not have to be a minor (under the age of 18) and can be of any age.

- **Incapable of self-care**—The child requires active assistance or supervision to provide daily self-care in three or more “activities of daily living,” or “instrumental activities of daily living,” including adaptive activities such as caring appropriately for one’s grooming and hygiene, bathing, dressing, eating or instrumental activities such as shopping, taking public transportation or maintaining a residence.
- **Physical or mental disability**—A physical or mental impairment that substantially limits one or more major life activity of the individual.

Covered service member—A member of the armed forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status or is otherwise on the temporary disability retired list for a serious injury or illness.

Covered veteran—An individual who is undergoing medical treatment, recuperation or therapy for a serious injury or illness and who was a member of the Armed Forces (including the National Guard or Reserves), and was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran.

Next of kin—Used with respect to an individual, this means the nearest blood relative of that individual, other than the spouse, parent or child.

Serious health condition—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 consecutive calendar days (including any subsequent treatment or period of incapacity relating to the same condition) that also involves: 1) treatment two or more times within 30 days of the first day of incapacity, unless extenuating circumstances exist, by or under the orders of a health care provider; or 2) treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of a health care provider. The first (or only) visit must occur in person within seven days of the first day of incapacity.

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

Serious Injury or Illness—can be:

- In the case of a member of the armed forces, including a member of the National Guard or Reserves, an injury or illness incurred by the member in the line of duty on active duty in the Armed Forces (or existed before the beginning of the member's active duty and was aggravated by service in the line of duty on active duty in the armed forces) and that may render the member medically unfit to perform the duties of the member's office, grade, rank or rating.
- In the case of a veteran who was a member of the armed forces, including a member of the National Guard or Reserves, an injury or illness incurred by the member in the line of duty on active duty in the armed forces (or existed before the beginning of the member's active duty and was aggravated by service in the line of duty on active duty in the armed forces) and that manifested itself before or after the member became a veteran and is:
 - A continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the armed forces and rendered the servicemember unable to perform the duties of the servicemember's office, grade, rank or rating;
 - A physical or mental condition for which the covered veteran has received a U.S. Department of Veterans Affairs Service-Related Disability Rating (VASRD) of 50 percent or greater, and such VASRD rating is based, in whole or in part, on the condition precipitating the need for servicemember family leave;
 - A physical or mental condition that substantially impairs the covered veteran's ability to secure or follow a substantially gainful occupation by reason of a disability or disabilities related to military service, or would do so absent treatment; or
 - An injury, including a psychological injury, on the basis of which the covered veteran has been enrolled in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

Qualifying Exigency—includes:

- Short-notice deployment (seven days or less)
- Military events and related activities
- Child care and school activities
- Financial and legal arrangements
- Counseling
- Rest and recuperation (up to 15 days)
- Post-deployment activities
- Parental care
- Additional activities agreed to by the Company and the employee

Military Service Leave Policy (TX)

The Company provides unpaid military service leave to eligible employees in compliance with federal and state laws, including the federal Uniformed Services Employment and Reemployment Rights Act (USERRA), to enable them to fulfill their obligations as service members. Questions regarding the Company's military service leave policy should be directed to the Peyton Shipwash.

Federal Military Leave

Leave for Military Service

Employee who performs service in the uniformed services may be granted leaves of absence for the purpose of participating in military service. Under USERRA, "uniformed services" consists of the U.S. Army, Navy, Marine Corps, Air Force and Coast Guard and their Reserve components, U.S. National Guard and Air National Guard, the Commissioned Corps of the Public Health Service and any other category of persons designated by the President of the United States in time of war or emergency.

Eligible employees will be granted leave as required to complete the military service, for up to five years of cumulative uniformed service-related absences. Some special categories of military service are exempt from this five-year limit.

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 for the purpose of participating in Reserve or National Guard training programs. Eligible employees will be granted the minimum amount of leave needed to meet the minimum training requirements of their unit. Employees will not be required to use vacation time for military duty but may elect to do so.

Notice

Service members or an authorized military service officer must provide advance written or verbal notice to the Company for all military duty unless giving notice is impossible, unreasonable, or precluded by military necessity. Employees should provide notice as far in advance as is reasonable under the circumstances. In addition, employees may, but are not required to, use accrued time off (paid or unpaid) while performing military duty.

Benefits During Leave

During a period of military service, employees will be treated as if they are on a furlough or leave of absence. Consequently, during their period of service, they are entitled to participate in any rights and benefits not based on seniority that are available to employees on comparable nonmilitary leaves of absence.

If an employee's health plan coverage would terminate because of an absence due to military service, they may elect to continue the health plan coverage for up to 24 months after the absence begins or for the period of service (plus the time allowed to apply for reemployment), whichever period is shorter.

Employees choosing to do so may be required to pay up to 102% of the full premium for the coverage. However, if the military service is for 30 or fewer days, employees cannot be required to pay more than the normal employee share of any premium.

Reemployment After Leave

Employees may be eligible for reemployment after their military service leave. An employee desiring to return to work must report to work or apply for reemployment as follows:

- If the employee's military service was for less than 31 days, they must report to work on the first regularly scheduled workday which is at least eight hours after they return home from military service.
- If the employee's military service was for 31 to 180 days, they must apply for reemployment within 14 days following completion of military service.
- If the employee's military service was for more than 180 days, they must apply for reemployment within 90 days following completion of military service.
- If the employee suffered a service-connected injury or illness and they are hospitalized or convalescing, they have up to two years following completion of military service to return to their jobs or apply for reemployment, depending on the length of recovery time required.

If a returning employee is unable to comply with this reporting schedule through no fault of their own or if they are injured or recovering from an injury and need an accommodation for specific circumstances beyond their control, they should contact the Peyton Shipwash as soon as possible to determine if they are eligible for a reasonable accommodation or additional time to apply for reemployment. Employees who do not report to work or apply for reemployment within the applicable timeframe will be subject to the Company's rules about unexcused absences.

The Company is not required to reemploy individuals who are not eligible for reemployment under applicable federal, state or local law.

The Company will make reasonable efforts, such as training or retraining, to enable returning service members to refresh or upgrade their skills to help them qualify for reemployment. However, certain exceptions apply and service members may be placed in an alternative reemployment position if they cannot qualify for the escalator position.

Seniority Rights After Reemployment

Employees eligible for reemployment will be reemployed with the same seniority that they would have attained if they had not taken military service leave. This includes pay and benefits that accrue or are determined based on length of service.

Texas Military Service Leave

The Company provides employees who are members of the uniformed services with certain employment and reemployment rights in accordance with state law.

Texas law provides employment protections for individuals with military service obligations under state authority, such as members of the National Guard ordered to state active duty. The federal USERRA provides similar employment protections for federally activated military personnel.

In accordance with state law, the Company allows eligible employees to take unpaid leave for service in the military forces of Texas or any state if the employee is ordered to authorized training or duty by a proper authority. Employees are eligible for leave if they are members of the military forces of Texas or any state.

To be eligible for reemployment, employees must provide written or actual notice to the Company as soon as practicable after release from duty of their intent to return to employment.

Returning service members who have reemployment rights will be returned to their former position and will not lose time, efficiency ratings, vacation time or any employment benefits during or because of their absence.

Contact the Peyton Shipwash for more information on leaves for military service.

Military Caregiver Leave Policy

The FMLA also allows an eligible employee who is the spouse, son, daughter, parent or next of kin of a member of the Armed Forces, National Guard or Reserves or of certain recent veterans with a serious illness or injury, up to 26 weeks of unpaid leave within a 12-month period to care for the injured or ill service member or veteran. A “serious illness or injury” is generally an injury or illness incurred by the covered service member in the line of duty on active duty (or that existed before the beginning of the member’s active duty and was aggravated by service in the line of duty on active duty) that may render the service member medically unfit to perform the duties of the member’s office, grade, rank or rating.

An eligible employee is entitled to a combined total of 26 workweeks of military caregiver leave and leave for any other FMLA-qualifying reason in a single 12-month period, provided that the employee may not take more than 12 weeks of leave for any other FMLA-qualifying reason during this period. (For example, in the single 12-month period an employee could take 12 weeks of FMLA leave to care for a newborn child and 14 weeks of military caregiver leave, but could not take 16 weeks of leave to care for a newborn child and 10 weeks of military caregiver leave.) Generally, you must give the Company at least 30 days’ notice before the commencement of any military caregiver leave.

Qualifying (Military) Exigency Leave Policy

The FMLA also provides for up to 12 weeks of unpaid leave within a 12-month period when an eligible employee’s spouse, son, daughter or parent is on (or has been notified of an impending call to) “covered active duty” in the Armed Forces. (“Covered active duty” for members of a regular component of the Armed Forces means duty during deployment of the member with the Armed Forces to a foreign country. “Covered active duty” for members of the U.S. National Guard and Reserves means duty during deployment of the member with the Armed Forces to a foreign country under a call or order to active duty in a contingency operation.) The leave may also be extended to the family members of certain retired military. This leave may be used to take care of such things as child care or financial and legal arrangements necessitated by the deployment of the family member.

Break Time for Nursing Mothers Policy

The federal Fair Labor Standards Act (FLSA) allows employees to take reasonable, unpaid break time to express breast milk as needed for up to one (1) year after the birth of a child. The Company will provide a place for the employee to express breast milk, other than a bathroom, that is shielded from view and free from intrusion from co-workers and the public. Employees will not be discharged or in any other manner discriminated against in exercising their rights under this policy.

Religious Observance Policy

Federal and state equal opportunity laws generally require employers to accommodate the religious beliefs of employees, but do not require them to provide paid leave. The Company respects your religious beliefs, however, and therefore, will provide one (1) day of paid leave to employees who, for religious reasons, must be away from the office on days of normal operation. This leave must be requested through the department manager two weeks prior to the event.

Bereavement Leave Policy

Employees will receive up to Full time employees receive 3 Days days of paid time off in the event of the death of a member of their immediate family. Immediate family includes spouses, domestic partners, children, parents, parents-in-law, brothers or sisters, and brothers-in-law or sisters-in-law. You are allowed N/A of paid leave in the event of the death of an extended family member. Extended family includes grandparents, aunts and uncles, and other more distant relatives.

Appearing as a Witness Policy

An employee called to appear as a witness will be permitted time off to appear, but without pay. Employees will be permitted to use accrued paid or unpaid time off when appearing as witnesses.

Jury Duty Policy (TX)

The Company encourages employees to fulfill their civic duties. To that end, employees will be allowed leave to serve on a jury, if summoned. Exempt employees will receive their regular compensation for any week during which they perform any work for the Company while they are on jury duty leave.

During federal jury leave, an employee is entitled to continue to participate in insurance and other benefits in accordance with established Company policy. Upon return from federal jury duty, an employee will be reinstated to their position without loss of seniority.

As long as the employer's circumstances do not change while an employee serves as a juror or grand juror that makes reemployment following jury service impossible or unreasonable, the Company will not discharge, threaten to discharge, intimidate, or coerce a permanent employee due to jury service or attendance or scheduled attendance in any U.S. Court. An employee's court appearance in response to a jury subpoena to voice exemption to jury service and subsequent failure to be added to the jury panel due to that exemption is also considered a part of jury service.

The Company may request a copy of the jury summons and asks that employees keep the Company apprised of their jury status.

Voting Policy (TX)

The Company encourages all employees to vote. The Company will provide you with paid time off to vote on Election Day or while early voting is in progress unless you have at least two consecutive hours of nonworking time available while the polls are open.

Holiday Pay Policy

Full-time employees are entitled to the following paid holidays:

New Year's Day, Labor Day, Good Friday, Independence Day, Memorial Day, Thanksgiving Day, Christmas Eve, Day after Thanksgiving, Christmas Day, Other

Field employees will receive double-time when on a job.

All full-time employees must work the day before and day after the holiday to receive the paid holiday at 8 hours at your shop (unbillable) rate.

Employee benefits

General Employee Benefits Policy

This section describes the benefits provided by the Company and information on your eligibility for benefits. Details regarding each benefit plan are contained in the Company's Benefit Booklet. Benefit plans governed by the federal Employee Retirement Income Security Act (ERISA) may be further described in formal Summary Plan Descriptions or other legal documents, which are available for your review in Peyton Shipwash.

Employees meeting the eligibility criteria for particular benefits may participate in the various insurance programs offered by the Company. You may review the eligibility criteria for each benefit in the Company's Benefit Booklet and/or the Summary Plan Description for the particular benefit. Periodically there will be an Open Enrollment period (described below). If you decline to participate in these programs on your initial eligibility date, you may request entry into the plan during Open Enrollment or Special Enrollment (described below).

Medical Plan

The Company offers a medical plan to all eligible employees. Details of the plan(s) may be found in the benefit booklets. This Handbook does not constitute such a legal document. The Company offers medical coverage for eligible employees and their eligible dependents. Your Summary Plan Description (SPD) contains more details. In the event of any conflict between the information contained in this Handbook and in the Company's SPDs, the SPDs shall govern. The plan(s) is subject to change at the Company's discretion.

Dental Plan

The Company offers a dental plan for eligible employees. Please refer to the dental Summary Plan Description for an explanation of the plan benefits and limitations.

Vision Plan

The Company offers a vision plan for eligible employees. Please refer to the vision Summary Plan Description for an explanation of the plan benefits and limitations.

Life Insurance Plan

Eligible employees are automatically enrolled in a group term life insurance program. Enrollees may designate or change the beneficiary for this policy at any time. The Company pays the premium for this program. The face value of this benefit is equal to one times the employee's annual salary. For details, please refer to the plan SPD.

Employee Contributions Policy

The Company's benefit package is contributory; that is, you are responsible for a portion of the premium for your benefits. A portion of the premium, up to a maximum per month, is contributed by the Company. Your contributory cost is deducted from your paycheck.

Health Savings Account (HSA)

The Company contributes to a Health Savings Account (HSA) for eligible employees that are enrolled in a high deductible health plan. Eligible employees can use HSA funds to pay for qualified medical expenses. Please refer to the HSA Summary Plan Description for an explanation of benefits and limitations.

Expenses & reimbursement

Company-Issued Credit Cards Policy

The Company may issue company credit cards to certain employees for business use as necessary in connection with the employee's job duties. Use of company-issued credit cards is a privilege, which the Company may withdraw at any time.

Any credit card issued to an employee by the Company must be used for business purposes only. Personal purchases of any type are not allowed and will not be reimbursed. Expenses for lodging and meals while on company-approved business trips are considered business purchases, as long as such expenses are consistent with the Company's travel and expense reimbursement policy.

Employees are expected to exercise discretion and good judgment when incurring business expenses and to report expenses on a timely basis with appropriate documentation. If there is any question as to whether a particular purchase qualifies as a business expense, the employee should consult his or her manager before incurring the expense. Employees are responsible for any unauthorized purchases deemed by the Company to be for personal use.

Employees must pay Company credit card balances when due. Expenses will not be reimbursed unless the employee submits a written expense report in a timely manner.

Non-Reimbursable Expenses Policy

Non-reimbursable expenses include:

N/A

Payroll

Payroll Practices Policy

Employees are paid weekly. If the regularly scheduled payroll date falls on a Saturday, the Company will attempt to deliver paychecks on Friday. If the regular payday falls on a Sunday, employees will be paid on Monday. When a payroll date falls on a holiday, employees will, when possible, be paid on the last business day before the holiday. Otherwise, employees will be paid on the first business day following the scheduled payroll date.

Salary Deductions and Withholding Policy

The Company will withhold the following from your paycheck:

Taxes

Federal, state and local taxes, as required by law, as well as the required FICA (Social Security and Medicare) payments.

Insurance

Your contribution to health insurance or other insurance premiums for yourself and any eligible family members or to other contributory benefit programs.

Direct Deposit Policy

You may have your paycheck deposited directly into your bank account. You will be given the authorization form for deposit by your immediate supervisor, designated manager or Peyton Shipwash.