

*Comfort
for Life*

Mission • Purpose • Vision

*Customers'
Peace of Mind*

Hendrix
HEATING
& Air Conditioning

Welcome Letter from the President

Welcome to Hendrix Heating and Air Conditioning, Ltd. We are happy to have you onboard and value your contributions to the company's productivity. We want you to know all about Hendrix Heating as well as about your job, your benefits, and your workplace. Therefore, we have developed this employee handbook to answer your employment questions. Please take the time to read the handbook and consult with your supervisor about any questions you may have. I wish you every success in your new job, and I trust that your association with Hendrix Heating will be both rewarding and satisfying.

Sincerely,

Roger Kaminga
President

1. ABOUT HENDRIX HEATING

I. Who Are We?

Hendrix Heating and Air Conditioning, LTD. hereinafter "Hendrix Heating" or "company", is the foremost provider of heating, ventilation and air conditioning installation and service to the residential and light commercial markets in the Mid-Willamette Valley area. We distinguish ourselves by offering our customers a 100% customer satisfaction guarantee on every job and by valuing each employee.

II. Corporate Ethics Statement

Hendrix Heating and Air Conditioning, LTD. will at all times require every employee to adhere to ethical business practices, many of which are outlined in this manual. Each employee is a direct representation of Hendrix Heating and as such will be expected to carry him/herself accordingly. Hendrix Heating has no bias or expectations of an employee's religious preference, but the owners of the company do operate under the Biblical principle of "Do to others as you would have them do to you" Luke 6:31.

III. Equal Employment Opportunity Statement

Hendrix Heating is an Equal Opportunity Employer. We believe every employee has the right to work in an environment free from all forms of unlawful discrimination. It is the policy of Hendrix Heating that employment decisions for all applicants and employees will be made without discrimination against any class, characteristic or status protected under local, state or federal law.

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 our employees to perform their job duties.

2. HANDBOOK DESIGNATION

This handbook is not a contract guaranteeing employment for any specific duration. Although we hope that your employment with us will be long-term, either you or the company may terminate this relationship at any time, for any reason, with or without cause.

I. Within this handbook the following definitions will apply:

- a. **Employee**= An employee of Hendrix Heating is a person who regularly works for the company on a wage or salary basis. Employees may include exempt, non-exempt, regular full-time, regular part-time, temporary persons, and others employed with the company who are subject to the control and direction of the company in the performance of their duties. All Hendrix Heating employees are at-will employees unless explicitly stated otherwise in the employee's individual employment agreement.
- b. **Exempt**=Employees whose positions meet specific criteria established by the Fair Labor Standards Act (FLSA) and who are exempt from overtime pay requirements.
- c. **Non-Exempt**=Employees whose positions do not meet the FLSA criteria and who are paid one-and-one half of their regular rate of pay for hours worked in excess of the applicable FLSA overtime threshold in the applicable FLSA work period.
- d. **Regular Full-Time**=Employees who have completed the 90-day probationary period and who are regularly to work 40 or more hours per week. Generally, they are eligible for the company's benefit package, subject to the terms, conditions and limitations of each benefits program.
- e. **Regular Part-Time**=Employees who have completed the 90-day probationary period and who are regularly scheduled to work less than 40 hours per week.
- f. **Temporary (full-time or part-time)** =Those whose performance is being evaluated to determine whether further employment in a specific position or with the company is appropriate or individuals who are hired as interim replacement to assist in the completion of a specific project or for vacation relief. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain the status until they are notified of the change. They are not eligible for any of the company's benefits programs.

3. EMPLOYEE HIRING AND TERMINATION

I. Eligibility

In accordance with Title I of the Americans with Disabilities Act, we do not discriminate in employment against qualified individuals with disabilities. A qualified individual is one who meets the skill, education and other requirements of an employment position and who can perform essential functions of the position with or without reasonable accommodations.

II. Introductory or Probationary Period

The first 90 days of your employment constitute a training period. At the conclusion of the 90 days, your supervisor will evaluate your work performance and attendance. Employees with a satisfactory or better evaluation will be awarded permanent status and begin to receive benefits. Any employee with a less than satisfactory evaluation will discuss his/her shortcomings with his/her supervisor and a decision will be made at that time whether or not employment with the company will continue. During the training period and at any time during the course of your employment with the company, your employment may be terminated without cause by you or Hendrix Heating. You are an at-will employee of Hendrix Heating both during and after the probationary period.

III. Employee Performance and Evaluation

New hires will be evaluated at 90 days, and annually after that. The evaluation will note your progress and major accomplishments over the past year, as well as identify any opportunities for improvement. At this time, goals and plans for the upcoming year will be discussed. Merit increases may be given to acknowledge progress and accomplishments; however, such increases are not guaranteed.

V. Resignations

We ask that an employee desiring to resign in good standing from Hendrix Heating and Air Conditioning, LTD. give two weeks written notice. All benefits cease on the last day of employment although after employee resigns, they may be eligible to continue insurance for a period of time at the employee's expense. Upon leaving you'll be required to leave your company cell phone, uniforms, and any other company property at the office by the end of your last day.

VI. Involuntary Termination

Hendrix Heating and Air Conditioning LTD. reserves the right to terminate any employee at any time with or without cause in accordance with its at-will employment policy. Upon leaving you'll be required to leave your company vehicle, cell phone, uniforms, and any other company property on site at the office. The employee is financially responsible for any Hendrix Heating property not returned.

4. HOURS OF WORK AND COMPENSATION

I. Hours of Work

Hours of work will vary according to your position and employment status. Your supervisor is responsible for assigning you a work schedule which may be constant or vary from day to day. Our greatest concern is that appropriate employee coverage be maintained to fully service our customers' needs around the clock. We appreciate your flexibility in accepting different work hours from time-to-time to provide the best possible service to our customers. Hendrix Heating & Air Conditioning LTD. is a service business, we serve our customers 24 hours a day, 7 days a week. We constantly manage an on-call technician in the service department who can be reached 24 hours a day. Hours of work may involve weekends, holidays, late hours and generally any time during any day of the year.

II. Overtime and Compensatory Time

Only non-exempt or hourly employees of Hendrix Heating are eligible to receive overtime pay. Overtime is provided for hours worked in excess of 40 hours per work week. Overtime is paid at the rate of one and one-half times your regular pay. Technicians will be compensated for on-call hours worked at the same 40-hour work week rate and overtime will be paid as outlined above. When a technician is asked to be on call on a Sunday, he or she will be paid an extra flat rate of \$75 for the day in addition to payment for any hours worked that Sunday.

III. Payroll Deductions

Hendrix Heating is required to deduct federal and state withholding taxes, plus Social Security and Medicare from your paycheck. Such amounts are turned over to the U.S. and state treasuries. At the end of the year, you will receive a W-2 form that summarizes the amounts that were withheld from your pay during the year. The amount of taxes withheld is determined by the size of your income and the number of dependents you claim on your W-4 form. Other amounts, such as health insurance and retirement fund

contributions, may be withheld if you have authorized the withholding by filing a form with the company bookkeeper.

IV. Payroll Periods and Distribution

All hourly employees are paid bi-weekly. Checks are distributed to employees by the accounting staff. Employees not present on paydays are asked to pick up their checks from the accounting staff in person. Under no circumstances, other than termination of employment, will checks be distributed early. Salaried employees are paid on the last working day of the month. Employees may have their paychecks deposited directly into their bank accounts by filing the appropriate paperwork with the accounting department. Employees in the direct deposit program receive a non-negotiable check stub on payday.

TOOL PURCHASE POLICY

Any employee purchasing tools through Hendrix Heating Vendor accounts may do so- as long as the following guidelines are met:

- a. Orders are placed through your supervisor with a purchase order number for tracking purposes.
- b. The employee agrees to execute the agreement substantially complying with the form provided below. Employee also agrees to pay Hendrix Heating back in full within 90 days of the date of the equipment purchase.

I agree to repay the balance of my purchase in the amount of _____ in equal payments in the amount of _____, for _____ week/month (circle one).

*****Failure to pay balance due within timeline mentioned will result in employee no longer able to purchase tools on account through Hendrix Heating. Employees will then be responsible for tool purchases on their own*****

Employee

Date

Company Representative

Date

5. WORKPLACE POLICIES

Workplace Harassment

Our company goal is a work environment that provides employees equality, respect and dignity. In keeping with this commitment, management has adopted a policy of “zero tolerance” with regard to employee harassment.

Harassment is defined under federal law as unwelcome conduct that is based on race, color, religion, sex, national origin, age, disability or genetic information. This policy applies to all terms and conditions of employment. Harassment of any other person, including, without limitation, co-workers, visitors, or vendors, whether at work or outside of work, is grounds for immediate termination. Hendrix Heating will make every reasonable effort to ensure that its entire community is familiar with this policy and that all employees are aware that every complaint received will be promptly, thoroughly and impartially investigated and resolved appropriately. The company will not tolerate retaliation against anyone who complains of harassment or who participates in an investigation.

Supervisors' Responsibilities

All managers are expected to ensure a work environment free from harassment. They are responsible for the application and communication of this policy within their work area. Managers should:

- Encourage employees to report any violations of this policy before the harassment becomes severe or pervasive.
- Make sure the owners are made aware of any inappropriate behavior in the workplace.
- Create a work environment where discrimination and harassment is not permitted.

The question of whether an action or incident constitutes harassment requires that a factual determination be made on a case-by-case basis. Given the nature of these types of discrimination, false accusations of harassment can have serious effects on people. We trust that all employees will continue to act responsibly to maintain a pleasant working environment, free of discrimination and/or harassment, allowing each employee to perform to his or her maximum potential. We encourage any employee to bring questions he or she may have regarding discrimination or harassment to the attention of Roger Kaminga or Carla Kaminga, or their designee.

Retaliation Protections

Hendrix Heating prohibits retaliation against any employee for filing a complaint regarding conduct in violation of this policy. We will not tolerate retaliation against any employee for raising a good faith concern, for providing information related to a concern, or for otherwise cooperating in an investigation of a

reported violation of this policy. Any employee who retaliates against anyone involved in an investigation is subject to disciplinary action, up to and including dismissal.

Reporting Procedure

Any employee aware of or experiencing discrimination, or harassment in the workplace should report that information immediately to a company designee. Specifically, an employee may make the report verbally or in writing to the employee's immediate supervisor or higher management, if the employee prefers. As an alternative, an employee may report the harassment directly to Roger Kaminga or Carla Kaminga. Employees may report to any of the persons listed above, regardless of any particular chain of command. All employees are encouraged to document any incidents involving discrimination, or harassment soon as possible.

Nondisclosure or Non-Disparagement Agreements

Under this policy, a nondisclosure agreement is any agreement by which one or more parties agree not to discuss or disclose information regarding any complaint of work-related harassment, discrimination, or sexual assault.

A non-disparagement agreement is any agreement by which one or more parties agree not to discredit or make negative or disparaging written or oral statements about any other party or the company.

A no-rehire provision is an agreement that prohibits an employee from seeking reemployment with the company and allows a company to not rehire that individual in the future.

The company will not require an employee to enter into any non-disparagement, nondisclosure or no-rehire agreement if the purpose or effect of the agreement prevents the employee from disclosing or discussing conduct constituting discrimination, harassment, or sexual assault.

An employee claiming to be aggrieved by discrimination, harassment, or sexual assault may, however, voluntarily request to enter into a settlement, separation, or severance agreement which contains a nondisclosure, non-disparagement, or no-rehire provision and will have at least seven days to revoke any such agreement.

Time Limitations

Nothing in this policy precludes any person from filing a formal grievance in accordance with a collective bargaining agreement [if applicable], the Oregon Bureau of Labor and Industries' Civil Rights Division or the Equal Employment Opportunity Commission. Note that Oregon state law requires that any legal action taken on alleged discriminatory conduct (specifically that prohibited by

ORS 659A.030, 659A.082 or 659A.112) commence no later than five years after the occurrence of the violation. Other applicable laws may have a shorter time limitation on filing.

Code of Conduct.

All employees shall always conduct themselves with the highest ethical standards. All employees shall strive to set examples among business, personal, and professional acquaintances by their conduct. All employees will obey the code of conduct as follows and agree to report any violations of the code that they have knowledge of. Sections I—XVI, below, constitute the employee Code of Conduct.

- I. Accountability:** I will report to work on time and on the days scheduled. While on the job I will sustain a high level of productivity. I will not sleep on the job or report to work under the influence of drugs or alcohol.
- II. Compliance with the Law:** I will obey the laws and regulations of every state in which the company does business, and I will avoid the appearance or suspicion of improper or illegal conduct in any business dealing.
- III. Company Loyalty:** I will act in the best interest of the company and will not let my loyalty be influenced by outside interests or relationships that could jeopardize the company's reputation or my own personal integrity.
- IV. Confidential Information:** I will keep proprietary company information in confidence so as not to jeopardize the company's existence, give competitors undue advantage, or compromise the company's investors and/or its employees.
- V. Conflicts of Interest:** I will not compete with the company by offering similar services, working for the competition, or using company assets or knowledge to benefit my own personal interests.
- VI. Customer Relations:** I will treat all customers with respect and courtesy. I will not give preferential treatment to any customer or grant any unauthorized discounts or rebates.
- VII. Employee Relations:** I will treat my fellow employees with personal respect and professionalism. I will offer my assistance to facilitate team projects whenever called upon to do so.
- VIII. Falsifying Records:** I will not falsify employment records or production records, time sheets or other internal or external reports.
- IX. Honorariums, “Kick-backs” and Other Gifts:** I will not directly or indirectly accept any gifts, cash, discounts or other benefits from any vendors or service providers without pre-approval from my supervisor.

- X. Personal Conduct:** I will not fight, threaten, or attempt bodily injury to another employee on company premises. I will not be insubordinate, use profane language on company premises or while representing the company, or engage in physical abuse of my fellow employees. I will not engage in malicious mischief that would result in the destruction of company property or injury of another employee.
- XI. Personal use of Property:** I will not use, divert, or appropriate company property, equipment, services, or assets (including equipment or materials removed from job sites) for personal use or benefit. This includes properly using and caring for company equipment and limiting personal use of copiers and telephones.
- XII. Safety:** I will maintain a clean workplace for our customers, visitors, and my fellow employees in order to make a positive impression and also to keep the workplace safe. The agenda for each meeting will be posted prior to each meeting to give all employees adequate time to add items for discussion/consideration. The training material covered in OSHA approved safety meetings will be strictly followed at all times. Failure to do so will result in disciplinary action and/or termination of employment.
- XIII. Confidentiality**
- a. Hendrix Heating entrusts its employees with confidential company information that is proprietary in nature. This includes, but is not limited to, client information, customer lists, trade secrets, databases, pricing lists, documentation, processes, marketing plans, and financial information.
 - b. During your employment, you must comply with all company policies related to confidential company information. From time to time, these policies may be updated. It is very important that you do not disclose confidential company information. Disclosure will cause irreparable harm to the company.
 - c. As a condition of your employment with Hendrix Heating, you are agreeing not to disclose confidential company information to third parties without the express written consent of Hendrix Heating. you are agreeing to exercise the highest degree of care in safeguarding the confidential company information against loss, theft, or other inadvertent disclosure, and you generally agree to take all steps necessary to ensure the maintenance of confidentiality.
 - d. Upon termination of your employment with Hendrix Heating, you agree to promptly return all confidential company information in your possession.

- e. Your obligation not to share confidential company information will continue after the termination of your employment with Hendrix Heating and for so long as you possess confidential company information. The duty of confidentiality also applies to the company's commercial and residential customers. When you are working for customers in their home or business, you must respect their privacy. They trust you in their space.
- f. An employee found in violation of company confidentiality policies will be subject to disciplinary action which could result in termination of employment.

XIV. Attendance-Punctuality and Absences

Your regular attendance is essential to the smooth operation of Hendrix Heating. Tardiness and absenteeism inconvenience our customers, as well as your fellow employees. All personnel are expected to clock in no more than 5 minutes before start time and clock out immediately upon completion of the work day. If you cannot report to work because of illness, please contact Carla-541-760-4756, as well as your immediate supervisor, via text/phone call, as early as possible. If you don't receive an immediate response, follow-up within 20 minutes to ensure your message was delivered. Should you need to be excused from work for reasons other than illness, please clear your leave with your supervisor 30 days in advance.

Unexcused/excessive absences or excessive tardiness will result in disciplinary action and/or termination of employment.

XV. Outside Employment/Commitments

We respect your right to hold outside employment and/or be involved in outside activities, but require that such activities not interfere with your performance or attendance at Hendrix Heating. Additionally, outside employment may not create a conflict of interest with our company, and must be reviewed and approved as such.

XVI. Building Security Policy

Employees are supplied with a key to the building and code for the security system if opening/closing/afterhours work will be a part of their continuing responsibilities with the company. If you are the last person to exit the building, you are responsible for "manning" the alarm system. If you are the first to enter the building you are responsible for disarming the alarm and are to alert management if the alarm was not active when you arrived.

XVII. Employee Records

- a. Personnel files are created at the time of hire for each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation or performance appraisals and salary increases, disciplinary actions, awards, and other employment records.
- b. Employees are expected to keep current the following information: (1) legal name, (2) home address, (3) home phone number, (4) person to call in case of emergency, (5) W-4, I-9, changes in visa or citizenship status.
- c. Employees who wish to review or copy any information in their file should contact the Office Administrator. With reasonable advance notice, employees may review their own personnel files in the Hendrix Heating office and in the presence of an individual appointed by the company to maintain the files.
- d. We respect your privacy and will provide limited access to the information contained in your personnel file to authorized personnel of the company, police, and/or as required by law. The files are kept in a secured area of the office and maintained by management.

XVIII. Dress Code and Uniforms

All service and installation personnel are expected to wear the company uniform while on the job/field. The uniform consists of a blue button front shirt or black or grt- shirt bearing the company name, black pants, black shoes, black belt, company issued coat or sweatshirt, hat, and coveralls. The company will supply the uniform and funds to purchase pants/shoes/belt; however, it is the responsibility of each employee to keep his/her uniform clean and presentable. All other administrative employees are expected to dress in professional, causal business attire. Visible tattoos must be kept covered while on the job.

XIX. Employee Complaints

Under normal working conditions, employees who have a job-related problem, question, or complaint should first discuss it with their immediate supervisor. At this level, employees usually reach the simplest, quickest, and most satisfactory solution. If the employee and supervisor do not solve the problem, Hendrix Heating encourages employees to contact the President of the company.

XX. Employee Discipline

In order for our business to operate in an orderly and efficient manner, all employees must observe the Code of Conduct, Sections I—XVI, above. If you violate the Code of Conduct, or any other company policies, it will be necessary to take corrective measures in the form of disciplinary action. Generally, except where discipline is explicitly otherwise provided for in the code, Hendrix Heating follows a three step disciplinary procedure that is designed to be corrective, rather than punitive. Any disregard for the Code of Conduct as outlined in this handbook will constitute an offense and will be handled as follows:

- 1st offense: Verbal Warning
- 2nd offense: Written Warning
- 3rd offense: Termination of Employment

Hendrix Heating reserves the right to impose immediate discipline at any of the levels listed above, for conduct which, in management's sole judgment, requires a specific sanction without regard to prior conduct of the employee.

Smoking Policy

We offer a smoke-free workplace for our employees. Under state law, smoking is not allowed in any area of the building. Employees who smoke are required to do so outside of the building. Out of courtesy to our customers, we ask that you not smoke in front of the building entrance to the company. Please limit your smoking breaks to a maximum of five minutes. Employees working in the field are expected to respect the smoking policies of the commercial buildings and job-sites they visit. Smoking is never permitted inside of a company owned vehicle or on a customer's property.

XXI. Telephone Use

Both company landlines and cellular phones are maintained for business purposes and emergencies only. While we realize it is necessary to make personal phone calls during work hours from time to time, we ask you to limit your personal calls to those which are absolutely necessary. Cellular telephones owned by Hendrix Heating are not to be used for personal use. If you find it necessary to carry your personal cellular phone for personal use, please do so. Please try to limit personal calls unless there's an emergency of course, to before and after work or on lunch

or break times. Absent good cause, technicians are asked to leave their cell phones in vehicles while working in a customer's home whenever possible.

XXII. Use of Company Vehicles

Only authorized employees are allowed to use company owned vehicles. Employees who drive company owned vehicles must own and carry at all times a valid driver's license. Employees who are assigned a company vehicle are responsible for that vehicle's maintenance, tires, upkeep, and cleanup (exterior and interior). Employees assigned a company owned vehicle must follow the guidelines below:

- a. Ensure periodic tune-ups are performed at company designated automotive repair shops. Hendrix Heating has master accounts at these automotive repair shops. Employees should not pay for any services received or tires installed on the company owned vehicle, as the company is responsible for any and all expenses. It is your responsibility to make the fleet manager aware when the assigned vehicle is in need of service and/or maintenance.
- b. Make sure the vehicle has enough gas at all times. Fill the tank at company designated gas stations and pay by company provided card.
- c. Every day inspect the interior and exterior of the vehicle to make sure it is clean and free and clear of clutter.
- d. Fill out and return vehicle inspection reports WEEKLY to the office. Report any problems with the vehicle to your fleet manager and obtain the needed repair/service as soon as possible.
- e. Maintain a good driving record that will allow our insurance carrier to cover you while driving at work. Failure to maintain a valid driver's license and be eligible for insurance through our carrier will result in termination of your employment with Hendrix Heating & Air Conditioning LTD.

XXIII. Vehicle Use Agreement:

All employees who are provided a Company-Owned Vehicle to drive will be required to complete a Vehicle Use Agreement.

Hendrix Heating & Air Conditioning LTD Company-Owned Vehicle Use Agreement

Agreement between Hendrix Heating & Air Conditioning LTD hereinafter referred to as the Company, and any employee assigned use of a Company-owned vehicle for business use.

Employee Signature

Driver's License Number

A Company-owned vehicle is hereby assigned employee under the following conditions:

1. Any driver of a Company vehicle shall, at all times, be properly licensed to drive in any area in which the car is operated, and the employee-driver shall have passed the Company's road driving test.
2. The vehicle shall be operated and maintained according to Company standards.
3. The custodian shall keep accurate records and reports as may be required by the Company covering mileage, expense, crashes, car maintenance, etc.
4. Any driver of a Company vehicle shall follow safe driving practices as all times and comply with laws and regulations, including laws against drinking and driving, and driving under the influence of intoxicating substances.
5. The Company will pay all operating expenses such as registration, insurance, excise tax, state inspection fees, gasoline, oil greasing, washing and repairs. Parking and toll charges will be reimbursed when such charges are incurred while driving on business for the Company.
6. Personal use of the vehicle will not be allowed to the custodian.
7. The custodian will be responsible for safe, overnight parking of the vehicle in a home garage, private driveway, or other safe and legal areas off public ways.
8. Hitchhikers are not permitted to ride at any time and the carrying of passengers for a consideration is not allowed.
9. The custodian assumes full responsibility for any traffic and parking violations arising out of the use of the Company vehicle. If the Company should be required to pay any fine after the custodian terminates employment with the Company, the custodian agrees to reimburse the Company within 30 days of written notice.
10. It is Company policy that all persons who drive or ride as passengers in Company vehicles will use available passenger restraints as all times when the vehicle is in motion.
11. The use of cellular phones is prohibited while driving unless a hands-free device is utilized.
12. The Company shall be notified immediately of any and all collisions in which the driver is involved while driving the vehicle on company or personal business.
13. The Company may revoke this assignment at any time.

XXIV. Lunch Break Policy

Hours worked	Break/Lunch
2-4 hours.....	No lunch & 1 - 10 minute paid break
6-10 hours.....	1/2 hour lunch- not paid & 2-10 minute paid breaks

XXV. Violence in the Workplace

Hendrix Heating will take all reasonable actions to provide a safe environment for all persons who work within our facilities or who use our services. Acts and/or threats of violence by staff will not be tolerated and will be grounds for disciplinary action which could result in termination of employment. Similarly, acts and/or threats of violence by customers/visitors against staff will be grounds for remedial action.

6. COMPANY SAFETY AND HEALTH POLICY

- I. **Company policy:** It is the policy of this company to reasonably ensure a safe, healthful workplace for all its employees. Injury and illness losses from accidents are costly and often preventable. This company has an effective safety and health program that involves all its employees in the effort to eliminate workplace hazards.
- II. **Management:** Management is accountable for preventing workplace injuries and illnesses. Management will consider all employee suggestions for achieving a safer, healthier workplace. Management will also regularly review the company and safety health programs.
- III. **Supervision:** Supervisors are responsible for supervising and training workers in safe work practices. Supervisors must enforce company rules and work to eliminate hazardous conditions.
- IV. **Safety Meetings:** Monthly Safety Meetings are mandatory for all employees to attend. Absences may be excused in advance by your supervisor. Each meeting a designated person will take notes to record discussions. All employees in attendance must sign in. Meeting notes will be kept with the sign in sheet in a central location, available to all employees at any time for review. Each month a topic will be reviewed and gone over with all employees. All employees are expected to contribute and be active participants in these meetings. All employees are expected to make needs and concerns known for discussion and resolution.

V. Employees: All employees are expected to participate in safety and health program activities including but not limited to the following:

- a. reporting hazards, unsafe work practices, and accidents (even non injury car accidents) immediately to their supervisors or a safety committee representative
- b. wearing required personal protective equipment
- c. participating in and supporting safety committee activities
- d. It's our policy to provide a safe workplace for our employees. Having accepted this responsibility, we feel that you must also accept the responsibility to work safely to protect yourself and your fellow employees. This means working intelligently with common foresight. All employees are expected to read and adhere to the company safety policies listed above. You are expected to follow the safety standards that apply to our operations and adhere to all OSHA regulations.
- e. Injury to an employee causes loss of income and productivity. Use your good judgment and common sense to avoid on-the-job accidents. Good housekeeping is a first step toward reducing injuries. Put papers and other waste in the containers provided. If you see any unsafe situations or practices, report them to your supervisor right away.

7. ON THE JOB INJURY

- I. Employee Responsibility:** If an employee is injured on the job they will report the incident immediately to their immediate supervisor, Office Manager, the President, or General Manager. The determination will then be made as to whether the injury requires medical attention. If so, a physician release must be given to management before the employee can return to work. If no medical attention is sought, and the management has directed the employee to seek medical attention, management has the right to send the employee home until medical attention has been sought out and a physician has provided a work release. If the employee is given written instruction from a physician to work at a reduced level, the physician must sign a work release when the time comes that the employee is allowed to return to a 100% level of workload
- II. Incident Report Requirement:** All injuries on the job require an employee to fill out an Incident Report Form available to all employees via administrative staff and turn it in to their immediate supervisor as soon as reasonably possible.

DRUG AND ALCOHOL POLICY

- I. We believe that employees of Hendrix Heating and Air Conditioning LTD. have a responsibility to our customers, coworkers and to the general public to ensure safe operating and working conditions. Studies have shown that employees who use drugs or abuse alcohol or prescription medication are at greater risk to be involved in industrial accidents, work at a less efficient rate, submit more workers' compensation claims, miss more time from their jobs due to illness, and create a higher risk of harm to themselves and their coworkers than employees who do not engage in drug or alcohol abuse.

To satisfy these responsibilities, we must establish a work environment where employees are free from the effects of drugs (including but not limited to marijuana), alcohol, or other impairing substances. Accordingly, we have adopted this drug and alcohol policy.

- II. **Prescription or Over the Counter Medication:** Employees who are medically authorized to use drugs or other substances which can affect the safety of the workplace are responsible for determining from the physician whether or not the substance can impair an employee's ability to perform job duties safely. If the physician informs the employee that the substance may impair the employee's ability to perform job duties safely, then the employee must report use of the substance to his or her immediate supervisor and provide proper written medical authorization from a physician to work while using such authorized drugs.

The use of medical or recreational marijuana does not excuse a positive test or other violation of this policy.

- III. **Scope of Enforcement:** The company's right to enforce this Drug and Alcohol Policy includes, but is not limited to, the following procedures: pre-employment drug testing, reasonable suspicion drug and alcohol testing, post-accident testing, random drug testing, return from layoff or leave testing, and random inspections and searches of Company premises, vehicles and property.

Currently, the company is conducting the following testing procedures:

- a. **Pre-Employment Drug Testing:** All persons offered employment are required to submit to drug testing as a condition of the employment offer. Failure to provide a negative test result will result in rescission of the employment offer.
- b. **Reasonable Suspicion Testing:** Reasonable suspicion is where the company observes that the employee's behavior; conduct or condition indicates that he or she is under the influence of drugs or alcohol on the job. Reasonable suspicion will be determined and documented once each by two authorized company supervisors. Examples of reasonable suspicion include strange or erratic behavior, non-typical work

performance, or appearance including detectable odors, or speech of the employee. Any employee reasonably suspected of being in possession of and/or under the influence of drugs or alcohol will be required to submit to a drug and alcohol screen test. Failure to produce a negative test result will result in disciplinary action, up to and including termination of employment.

- c. **Post Accident Testing:** The company will require a test for alcohol and drugs if an employee sustains or is involved in an on the job injury or accident requiring medical attention beyond First Aid, or which results in property damage. Failure to produce a negative test result will result in disciplinary action, up to and including termination of employment.
- d. **Random Testing:** All employees are subject to random drug testing, except where otherwise prohibited or restricted by applicable law. By using an assigned employee number, an employee may be randomly selected for required drug testing. Randomly selected employees remain in the testing pool and might be selected during future random tests. The company attempts to schedule these random tests throughout the year. Failure to produce a negative test result on random testing will result in disciplinary action, up to and including termination.

Employees required to complete a drug test will report to:

The Corvallis Clinic at Walnut Boulevard
2350 NW Century Drive, Suite 100
Corvallis OR 97330
Occupational Medicine 541 753 1786 Open
Weekdays, 7:30AM to 5:30PM

- e. **Inspections and/or Searches of Company Premises and Property:** Hendrix Heating reserves the right to conduct searches on company property. Any search must be approved by Owners/Principles Roger or Carla Kaminga. Examples of situations which may necessitate a search include security, safety and policy compliance issues. All employees are expected to cooperate fully with any approved search conducted by the company. Company property includes, but is not necessarily limited to buildings and lots, offices, desks, lockers and company vehicles. Personal property including lunch boxes, purses, and personal vehicles are also subject to search when brought onto company property.
- f. **Employee Cooperation with Drug and Alcohol Policy:** Individuals taking a drug and /or alcohol test must sign a consent form for the test that allows release of the test results to the company.

Any employee found to be in violation of this policy, or who refuses to submit to testing as required, or who refuses to cooperate or attempts to subvert the testing process (including tampering with or adulterating a sample), is subject to disciplinary action which could include immediate termination of employment. The company also reserves the right to involve law enforcement officials for any conduct that it believes might be in violation of state or federal law.

Generally, employees who voluntarily request assistance in dealing with a personal drug and/or alcohol problem may do so without jeopardizing employment as long as this assistance is sought before work performance has deteriorated or disciplinary problems have begun. Treatment programs may be available through company health insurance coverage. Employees are responsible for any medical costs not covered through the company's health insurance.

"I, _____, HAVE READ THE PRECEDING ALCOHOL AND DRUG POLICY AND HAVE NO QUESTIONS REGARDING ANY TERMS OR CONDITIONS IN THE POLICY. I FULLY UNDERSTAND AND ACCEPT THAT I CAN BE DISCIPLINED AND/OR TERMINATED FOR VIOLATING THIS POLICY."

EMPLOYEE

SUPERVISOR

JOB TITLE

JOB TITLE

DATE

DATE

(Please print name)

(Please print name)

EMPLOYEE BENEFITS

- I. **Insurance:** After 90 days of continuous full-time employment (35+ hours per week), you are eligible on the first day of the next month for coverage under our group health insurance plan. This plan includes coverage for dental, vision, and health benefits. The plans are defined in the policy handbook. The company pays for 100% of the cost of employee coverage, and half of the cost for additional dependents. See your supervisor to obtain information about your health insurance choices and how to enroll. Workers Compensation coverage will be provided from the employee's first day of employment.

- II. Holidays:** Hendrix Heating recognizes 6 holidays per year. They are Christmas, New Year's Day, Thanksgiving, Memorial Day, 4th of July, and Labor Day. Full Time/Hourly employees are eligible for 8 hours of straight pay on the above-mentioned holidays. Part time employees and salaried positions do not receive additional holiday pay.

We try to close on Holidays so employees can enjoy the day with their families. We are a service company and serve our customers 24/7, so there is no guarantee/promise you will have the holiday off.

- III. Sick Leave:** All employees receive 40 hours paid sick leave each year, beginning with their hire date. Employees may carry forward up to 40 hours of sick leave to the following year, for a total accrued sick leave bank not to exceed 80 hours at any time. If an employee is sick 3 or more days, a doctor's note will be required in order to return to work.

Salaried Employees: If a full day is missed because of illness, you must complete a time off form and submit it to Tabatha when you return. You will receive reports of your available Sick Leave every pay period. If an employee uses all of their available sick leave, they have the option of using available vacation days and/or salary reduction to compensate for full days missed. If no vacation days or other paid leaves are available, a salary deduction will be used.

- IV. Paid Personal Leave:** After 1 year of continuous employment, all full-time employees are eligible to take 1 week of paid personal leave in addition to any paid sick leave. After year 3, employees are eligible for 2 weeks of paid personal leave in addition to any paid sick leave. Paid personal leave can be used for any days an employee chooses to use it for. Paid personal leave time is accrued each year from the employee's employment anniversary date. If it is not used up in the one-year period following accrual it is NOT carried over to the following year. An employee must use it in the year earned or lose it. Employees will not be compensated for unused personal leave time.

Salaried Employees: Vacation pay will accrue as noted in the employee manual. Non-illness related days missed will be logged as vacation pay. If the employee opts to not use their available vacation days for time missed, it will be deducted from salary. You will receive reports of vacation pay available every pay period.

Paid Personal Leave/Vacation Guidelines

*All time-off request forms must be submitted directly to Tabatha at least 30 days and no more than 12 months in advance.

*Vacation requests will be reviewed and may or may not be granted based on the department workload and previous time off.

*Vacation requests beyond normal paid personal leave (1 or 2 weeks depending on length of employment), are not guaranteed.

*Vacation dates applied for by multiple people will be approved on a seniority basis.

*Time off other than sick time, cannot exceed 2 consecutive weeks.

V. Retirement: Hendrix Heating has established a 401K savings plan that is available to all full-time hourly and full-time salaried employees who have completed the initial 90 day probationary period. The purpose of the plan is to encourage all eligible employees to save on a pre-tax basis and to build a financial reserve for retirement. The plan is outlined in the information provided by Edward Jones.

VI. Educational Benefits: From time to time, you may be required to attend various training programs and workshops conducted or offered by the company. These training programs are designed to provide knowledge and skills to ensure better job performance. The programs are paid for by the company. In addition, we offer educational and developmental programs designed to help interested employees to qualify for jobs of increasing responsibility within the company. Participation in these programs is paid for by the company. You are strongly encouraged to take part in the educational opportunities that we offer, and some of the training is in fact mandatory.

Acknowledgement of Receipt of Hendrix Heating Employee Handbook

I acknowledge that I have received a copy of the Hendrix Heating Employee Handbook ("Handbook"). I understand that I am responsible for reading and abiding by all policies and procedures in this Handbook, as well as other policies and procedures of the Company.

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

Signature

Date

Full Name (please print)

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