

---

# Employee Policy Handbook

---

**CSLLC Document #: DOC000055-QMS-D**  
**Document Revision: D**  
**Agile File Version: 1**  
**Effective: May 10, 2010**

*This page intentionally left blank*

Section	Table of Contents	Page
1	EMPLOYMENT.....	6
1.1	NATURE OF EMPLOYMENT .....	6
1.2	EQUAL EMPLOYMENT OPPORTUNITY/AFFIRMATIVE ACTION .....	6
1.3	BUSINESS ETHICS AND CONDUCT .....	7
1.4	CONFLICTS OF INTEREST .....	7
1.5	OUTSIDE EMPLOYMENT .....	8
1.6	NON-DISCLOSURE.....	8
2	EMPLOYMENT STATUS & RECORDS.....	9
2.1	EMPLOYMENT CATEGORIES .....	9
2.2	ACCESS TO PERSONNEL FILES.....	9
2.3	EMPLOYMENT APPLICATIONS .....	10
2.4	PERFORMANCE EVALUATION.....	10
3	EMPLOYEE BENEFIT PROGRAMS.....	10
3.1	VACATION BENEFITS .....	10
3.2	HOLIDAYS.....	11
3.3	PAID TIME OFF BENEFITS .....	11
3.4	BEREAVEMENT.....	12
3.5	JURY DUTY.....	12
3.6	EDUCATIONAL ASSISTANCE .....	13
3.7	HEALTH INSURANCE .....	13
3.8	BENEFITS CONTINUATION (COBRA) .....	13
3.9	WORKERS' COMPENSATION INSURANCE.....	14
3.10	401(k) RETIREMENT PLAN.....	14
3.11	OPEN DOOR .....	14
4	TIMEKEEPING/PAYROLL.....	14
4.1	TIMEKEEPING.....	14
4.2	PAYDAYS.....	15
5	WORK CONDITIONS & HOURS.....	15
5.1	WORK SCHEDULES .....	15
5.2	USE OF COMPANY TELEPHONES .....	15
5.3	SMOKING.....	15
5.4	BREAKS.....	16
5.5	USE OF EQUIPMENT .....	16
5.6	BUSINESS TRAVEL EXPENSES.....	16
5.7	COMPUTER & INTERNET USAGE.....	17
5.8	BLOGGING, SOCIAL MEDIA AND SOCIAL NETWORKING POLICY.....	18
5.9	WORKPLACE VIOLENCE PREVENTION .....	19
5.10	DRUGS AND ALCOHOL USE.....	19
6	THE FAMILY AND MEDICAL LEAVES OF ABSENCE.....	20
7	EMPLOYEE CONDUCT & DISCIPLINARY ACTION.....	23
7.1	EMPLOYEE CONDUCT AND WORK RULES.....	23
7.2	SEXUAL AND OTHER UNLAWFUL HARASSMENT .....	23
7.3	ATTENDANCE AND PUNCTUALITY .....	24
7.4	PERSONAL APPEARANCE.....	24
7.5	RESIGNATION.....	25
7.6	EMPLOYEE DISCIPLINE .....	25
7.7	WORKPLACE ETIQUETTE .....	25
7.8	CONFIDENTIALITY.....	26
7.9	NON-SOLICITATION .....	26

8 FACILITY AND PREMISES GUIDELINES .....27  
8.1 CAMERA, VIDEO AND AUDIO RECORDING POLICY.....27

## Welcome New Employee!

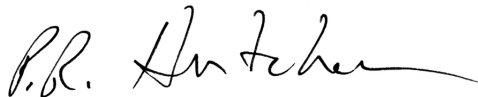
It is my pleasure to welcome you to Control Solutions LLC. We are very excited that you have chosen to join our team and wish you every success at our Company.

I believe that the success of our company rests with each and every employee. Their individual contributions are directly responsible for the growth and success of Control Solutions LLC. I challenge you to make a difference for our Company.

This Employee Handbook was developed as a guide to describe some of the policies, programs, and benefits available to eligible employees. Employees should familiarize themselves with the content of this Employee Handbook as soon as possible. It will help answer many questions about your employment at Control Solutions LLC. In the event that you have additional questions after reading this handbook please contact our HR department and they will gladly assist you.

I look forward to working with you and seeing how your unique talents will contribute to our success.

Warmest Regards,

A handwritten signature in black ink, appearing to read "Randy Hutcherson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Randy Hutcherson  
CEO

## 1 Employment

### 1.1 Nature of Employment

This handbook is intended to provide employees with a general understanding of our personnel policies. Employees are encouraged to familiarize themselves with the contents of this handbook, for it will answer many general questions concerning employment with CSLLC.

However, this handbook cannot anticipate every situation or answer every question about employment. It is not an employment contract and is not intended to create contractual obligations of any kind. Neither the employee nor CSLLC is bound to continue the employment relationship if either chooses, at its will, to end the relationship at any time, for any reason or no reason, with or without notice or cause. All employees of Control Solutions LLC are considered employees "at-will", which means either they or Control Solutions LLC may terminate the employment relationship at any time, for any reason or no reason, with or without notice or cause. The only exception to this at-will policy arises when there is a written employment contract signed by the employee and the CEO. Neither this Handbook nor any other employment-related document that may be given to you during the course of your employment constitutes a contract of employment for any specific period of time.

In order to retain necessary flexibility in the administration of policies and procedures, CSLLC reserves the rights to change, revise, or eliminate any of the policies and/or benefits described in this handbook, except for its policy of employment-at-will. The only recognized deviations from the stated policies are those authorized and signed by the officers of CSLLC.

### 1.2 Equal Employment Opportunity/Affirmative Action

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at CSLLC will be based on job-related criteria such as merit, qualifications and abilities. In accordance with applicable law, CSLLC does not discriminate in employment opportunities or practices on the basis of race, color, religion, sex, national origin, age, disability, genetic information, veteran status, sexual orientation or any other characteristic protected by law. This policy governs all aspects of employment; including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

CSLLC will make reasonable accommodations for qualified individuals with known disabilities as required by law. Any employee who requires such accommodations should notify the Human Resources Manager or Human Resources Coordinator of his or her need. CSLLC will then work with the employee to verify the need for an accommodation, and if necessary, identify the appropriate accommodation. CSLLC reserves the right to require medical verification of an employee's disability and the need for an accommodation. CSLLC will neither retaliate nor tolerate retaliation against an employee, who in good faith requests accommodation of a disability.

Employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor, the Senior Leadership Team or the Human Resources Manager. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of discrimination in violation of this policy will be subject to disciplinary action, up to and including termination of employment.

CSLLC is a government contractor, subject to certain affirmative action obligations with respect to the recruitment, hiring and employment of minorities, females, individuals with disabilities and certain qualified veterans. CSLLC is committed to the principles of affirmative action and takes affirmative steps to ensure that all of its human resources policies and practices are free from unlawful discrimination on the basis of any protected status. CSLLC will make reasonable accommodations for qualified individuals with known disabilities, unless doing so will result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline,

termination, and access to benefits and training. CSLLC also prohibits harassment of any individual on the basis of any characteristic that is protected. For information regarding CSLLC's internal policies, please refer to the policy against harassment contained in this document.

Any employee who has a question or concern about any kind of discrimination in the workplace is encouraged to bring the issue to the attention of his/her supervisor, the Human Resources Manager or any Sr. Leadership Team Member (SLT) which includes the CEO, CFO, Chief of Technology, Sr. Advisor, VP of Business Development, VP of Engineering, Director of Operations, HR Manager and General Counsel. Employees may do so without fear of reprisal, harassment, intimidation, threats, coercion or discretion because they have (1) filed a complaint with CSLLC or with any federal, state or local agency; (2) assisted or participated in any investigation, compliance review, hearing or other activity related to equal employment opportunity or affirmative action; (3) opposed any act or practice made unlawful by federal, state or local law requiring equal employment opportunity or affirmative action; or (4) exercised any other employment right protected by federal, state or local law or its implementing regulations.

CSLLC maintains an audit and reporting system to determine overall compliance with its equal opportunity requirements and to respond to any specific complaints applicants or employees may file. Overall responsibility for CSLLC equal employment opportunity programs and for affirmative action compliance activities has been assigned to the Human Resource Manager who may be reached at (630) 806-7062 x127.

### **1.3 Business Ethics and Conduct**

The successful business operation and reputation of CSLLC is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

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

CSLLC will comply with all applicable laws and regulations and expects its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with your immediate supervisor and, if necessary, with the General Counsel or Human Resources Manager for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every CSLLC employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including termination of employment.

### **1.4 Conflicts of Interest**

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest, or the appearance of a conflict. This policy establishes only the framework within which CSLLC wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact your General Counsel or Human Resources Manager for more information or questions about conflicts of interest.

An actual, potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee, a relative or friend as a result of CSLLC's business dealings. The appearance of a conflict occurs when circumstances would lead a reasonable person to

conclude that an actual or potential conflict existed. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage. A friend is anyone who has a close personal relationship (real or apparent) and may include fellow employees as well as outside third parties.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms, however, if employees have any known relationship within an outside customer/vendor or influence on transactions involving purchases, contracts, or leases; it is imperative that they disclose the existence of any actual or potential conflict of interest to an officer of CSLLC as soon as possible so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee, relative or friend has a significant ownership in a firm with which CSLLC does business, but also when an employee, relative or friend receives any payment, benefit, kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving CSLLC.

### **1.5 Outside Employment**

An employee may hold a job with another non-competing organization as long as it does not, in the opinion of CSLLC management, interfere with performance of his or her duties as an employee of CSLLC and as long as he or she satisfactorily performs his or her job responsibilities with CSLLC. All employees will be judged by the same performance standards and will be subject to CSLLC's scheduling demands, regardless of any outside work requirements. It is imperative that all employees disclose their outside employment to an officer of CSLLC as soon as possible to prevent any conflicts with insurance, scheduling, work loads, etc.

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

### **1.6 Non-Disclosure**

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

- Schematic Diagrams
- Firmware
- Design process documentation
- Computer programs and codes
- Financial information
- Pending projects and proposals
- Proprietary production processes
- Research and development strategies
- Technological data
- Technological prototypes
- Customer lists
- Any information, materials or documents that is designated as "confidential" by the company



All employees are required to sign a non-disclosure agreement as a condition of employment. Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment. CSLLC will also take any legal action necessary to protect its confidential business information from unauthorized use, disclosure or other misappropriation.

## **2 Employment Status & Records**

### **2.1 Employment Categories**

It is the intent of CSLLC to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and CSLLC.

Each employee is designated as either HOURLY or EXEMPT from certain requirements under federal and state wage and hour laws. HOURLY employees may be entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from the overtime pay requirement. Exempt employees are paid on a salary basis, which means their wages may not be subject to reduction based on variations in the quality or quantity of their work. Any exempt employee who feels an improper salary deduction has been made should alert the Human Resources Department immediately. The issue will be investigated and corrected if appropriate, and good faith efforts will be made to assure it does not happen again.

An employee's EXEMPT or NON EXEMPT classification is determined by law and may be changed only if circumstances warrant the change and upon written authorization by CSLLC management.

In addition to the above categories, each employee will belong to one other employment category:

REGULAR FULL-TIME employees are those who are not in a temporary or introductory status and who are regularly scheduled to work CSLLC's full-time schedule greater than or equal to 40 hours per week. Generally, they are eligible for CSLLC's benefit package, subject to the terms, conditions, and limitations of each benefit program.

REGULAR PART-TIME employees are those who are not assigned to a temporary or introductory status and who are regularly scheduled to work less than the full-time work schedule, but at least 20 hours per week. Regular part-time employees are eligible for some benefits sponsored by CSLLC, subject to the terms, conditions, and limitations of each benefit program.

Limited Term employees are those who are assigned to a temporary or introductory position, work part-time on a schedule that is less than 20 hours per week, and/or are not assigned to a regular weekly work schedule (i.e. Student, Co-op, etc.). Limited Term employees are not eligible for any benefits sponsored by CSLLC.

### **2.2 Access to Personnel Files**

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

Personnel files are the property of CSLLC, and access to the information they contain is restricted. Only supervisors and management personnel of CSLLC, who have a legitimate reason to review information in a file, are allowed to do so.

Employees who wish to review their own file should contact the Human Resources Manager or Human Resources Coordinator. With reasonable advance notice, employees may review their own personnel files in CSLLC's offices and in the presence of an individual appointed by CSLLC to maintain the files, in accordance with applicable law.

## 2.3 Employment Applications

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

## 2.4 Performance Evaluation

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Additional formal performance evaluations may be conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

Performance evaluations for regular full-time and regular part-time employees are normally scheduled at 12-month intervals. For Limited Term employees, a performance evaluation may be given every 6 months along with a pay increase if warranted.

Merit-based pay adjustments may be awarded by CSLLC in an effort to recognize truly superior employee performance. The decision to award such an adjustment is dependent upon numerous factors, including the information documented by this formal performance evaluation process.

## 3 Employee Benefit Programs

### 3.1 Vacation Benefits

Vacation time off with pay is available to eligible employees to provide opportunities for rest, relaxation, and personal pursuits. Employees in the following employment classification(s) are eligible to earn and use vacation time as described in this policy:

- Regular full-time employees

The amount of paid vacation time received each year increases with the length of their employment as shown in the following schedule:

- During the first 5 years of employment, the employee earns a total of 10 vacation days each year, accrued each pay period at a rate of 3.077 hrs.
- After 5 years of eligible service the employee earns a total of 15 vacation days each year, accrued each pay period at a rate of 4.615 hrs.
- After 10 years of eligible service the employee earns a total of 20 vacation days each year, accrued each pay period at a rate of 6.154 hrs.

The length of eligible service is calculated on the basis of a "benefit year." This is the 12-month period that begins when the employee starts employment and at each anniversary date thereafter. An employee's benefit year may be extended for any significant leave of absence except military leave of absence. Military leave has no effect on this calculation. (See individual leave of absence policies for more information.)

Once employees enter an eligible employment classification, they begin to earn paid vacation time according to the schedule. They can request use of vacation time after it is earned.

Paid vacation time can be used in minimum increments of one hour. To take vacation, employees should request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. As a general rule, vacation time may not be used until it has been earned.

Vacation time is paid at the employee's base pay rate at the time of vacation. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift

differentials. Vacation time is not counted towards a workweek for the purpose of calculating overtime pay.

As stated above, employees are encouraged to use available paid vacation time for rest, relaxation, and personal pursuits. In the event that available vacation is not used by the end of the benefit year in which it has been earned, employees may carry unused time forward to the next benefit year. Carry-over vacation time is limited to 1x the individual's annual accrual rate as of the year it was earned. Any excess time may not be carried over.

Upon termination of employment, employees will be paid for unused vacation time that has been earned through the last day of work.

### 3.2 Holidays

CSLLC will grant 10 paid holidays off to all eligible employees immediately upon assignment to an eligible employment classification. The holidays observed by the company will be determined by CSLLC management. Holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday) times the number of hours the employee would otherwise have worked on that day. Eligible employee classification(s):

- Regular full-time employees
- Regular part-time employees

Regular part-time employees are paid only for holidays that fall on a day that the employee normally works; the employee is paid for the number of hours he/she would otherwise have been scheduled to work.

An observed holiday that falls on a Saturday will be observed on the preceding Friday. A recognized holiday that falls on a Sunday will be observed on the following Monday.

If an observed holiday falls during an eligible employees paid absence (such as vacation or sick leave), holiday pay will be provided instead of any paid time off benefit that would otherwise have applied. Employees will not receive holiday pay for holidays that occur during the time they are on unpaid leave.

If it is mandatory for an eligible nonexempt employee to work on a recognized holiday, they will receive holiday pay plus wages at their straight-time rate for the hours worked on the holiday or receive an additional floating holiday or vacation day.

Paid time off for holidays will not be counted as hours worked for the purposes of determining overtime.

### 3.3 Paid Time Off Benefits

CSLLC provides five (5) Paid Time Off (PTO) days as a benefit to all eligible employees for periods of temporary absence due to illnesses or injuries. Eligible employee classification(s):

- Regular full-time employees who have worked a minimum of 90 days

Eligible employees will be allowed to utilize PTO days effective January 1<sup>st</sup> through December 31<sup>st</sup> of any given year as long as the eligible employee is employed at Control Solutions. PTO days will not be carried over from year to year and will be re-established to eligible employees effective January 1<sup>st</sup> of the proceeding year. If an employee uses all five (5) PTO days before December 31<sup>st</sup>, vacation time or time off without pay must be indicated in the weekly timesheet system. If an employee's timesheet is not complete for a particular payroll period, first PTO days, then vacation days, and finally unpaid time will automatically be used to satisfy the 40 hour weekly timesheet requirement. PTO days can be used in hourly increments.

If you are a new hire, your PTO days will be pro-rated based on the following schedule:

- New Hire Q1 After 90 days, will be eligible for 3 PTO days
- New Hire Q2 After 90 days, will be eligible for 2 PTO days
- New Hire Q3 After 90 days, will be eligible for 1 PTO day
- New Hire Q4 Will not be eligible for PTO days in current year; after 90 days will be eligible for 5 PTO days in proceeding year.

Employees can use PTO time for any personal reason that requires time off from regular working hours, except the equivalent of vacation time. PTO time should be scheduled as far in advance as possible and must have supervisor's approval. If an employee is out more than one day, the direct supervisor must be contacted on each additional day of absence, unless and until a leave of absence has been requested and approved. If an employee is out of work for 3 or more days for an illness or injury, a doctor's note will be needed to return to work. PTO days will be calculated based on the employee's base rate of pay at the time of absence and will not include any special forms of compensation such as incentives, commissions, bonuses or shift differentials. Unused PTO days will not be paid to employees while they are employed or upon termination of employment

Sick leave benefits are intended solely to provide income protection in the event of illness or injury, and may not be used for any other absence. Unused sick leave benefits will not be paid to employees while they are employed or upon termination of employment.

### **3.4 Bereavement**

CSLLC provides paid time off to all employees for periods of temporary absence due to bereavement. Bereavement pay for 3 days is provided for the death of immediate family members. This includes, spouse, mother, father, brother and sister. Bereavement pay for 2 days is provided for the death of family members including mother in-law, father in-law, brother in-law and sister in-law. Bereavement pay for 1 day is provided for the death of family members including grandparents.

Employees who are unable to report to work due to bereavement should notify their direct supervisor before the scheduled start of their workday, if possible.

Benefits will be calculated based on the employees base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, commissions, bonuses, or shift differentials.

### **3.5 Jury Duty**

CSLLC wishes all employees to fulfill their civic duties, and employees who are called for jury duty will be given time off as required by law. CSLLC provides paid time off to all eligible employees for periods of temporary absence (to a maximum of 10 work days per year) due to jury duty. Eligible employee classification(s):

- Regular Full-time employees
- Regular Part-time employees

Benefits will be calculated based on the employees base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, commissions, bonuses, or shift differentials.

Employees who are unable to report to work due to jury duty must notify their direct supervisor before the scheduled start of their workday. The direct supervisor must also be contacted on each additional day of absence. Failure to notify the direct supervisor will result in no benefit pay and possibly disciplinary action.

Employees are required to submit a signed receipt from the court system indicating the date, and time reported to jury duty upon returning to work. Employees also are required to endorse over to CSLLC their jury duty compensation check(s) from the government. Failure to submit the receipt of service and check(s) may result in no pay for the leave.

### **3.6 Educational Assistance**

See the CSLLC "Tuition Assistance Policy" for specific details. CSLLC recognizes that the skills and knowledge of its employees are critical to the success of the organization. The educational assistance program encourages personal development through formal education so that employees can maintain and improve job-related skills or enhance their ability to compete for reasonably attainable jobs within CSLLC.

CSLLC will provide educational assistance to all eligible employees immediately upon assignment to an eligible employment classification. To maintain eligibility employees must remain on the active payroll and be performing their job satisfactorily through completion of each course. Employees in the following employee classification(s) are eligible for educational assistance:

- Regular full-time employees

Individual course or courses that are part of a degree, licensing, or certification program must be related to the employee's current job duties or a foreseeable-future position in the organization in order to be eligible for educational assistance. CSLLC has the sole discretion to determine whether a course relates to an employee's current job duties or a foreseeable-future position. Employees should contact their Supervisor or the Human Resources Department for more information or questions about educational assistance.

While educational assistance is expected to enhance employee's performance and professional abilities, CSLLC cannot guarantee that participation in formal education will result in advancement, a different job assignment, or pay increases.

### **3.7 Health Insurance**

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

- Regular full-time employees

Eligible employees may participate in the health insurance plan subject to all terms and conditions of the agreement between CSLLC and the insurance carrier as in effect from time to time.

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

### **3.8 Benefits Continuation (COBRA)**

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under CSLLC's health plan when a "qualifying event" would otherwise result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or a leave of absence; an employee's divorce or legal separation; and a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary pays the full cost of coverage at CSLLC's group rates plus an administration fee. CSLLC provides each eligible employee with a written notice describing rights

granted under COBRA when the employee becomes eligible for coverage under CSLLC's health insurance plan. The notice contains important information about the employee's rights and obligations.

### **3.9 Workers' Compensation Insurance**

CSLLC provides a comprehensive workers' compensation insurance program at no cost to employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance provides benefits after a short waiting period or, if the employee is hospitalized, immediately.

Employees who sustain work-related injuries or illnesses should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible.

Neither CSLLC nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by CSLLC.

### **3.10 401(k) Retirement Plan**

CSLLC has established a "401(k)" retirement plan to provide employees the potential for future financial security for retirement.

To be eligible to join the retirement plan, you must be 21 years of age or older and have 12 months of service with CSLLC. You may join the plan only during open enrollment periods. Eligible employees may participate in the retirement plan subject to all terms and conditions of the plan.

The retirement plan allows you to elect how much salary you want to contribute and direct the investment to your plan account, so you can tailor your own retirement package to meet your individual needs. CSLLC also contributes an additional matching amount (up to 4% of the employee's annual salary) to each employee's salary reduction contribution.

Because your contribution to the retirement plan is automatically deducted from your pay before federal and state tax withholdings are calculated, you save tax dollars now by having your current taxable amount reduced. While the amounts deducted generally will be taxed when they are finally distributed, favorable tax rules typically apply to distributions.

Complete details of the retirement plan are described in the Summary Plan Description provided to eligible employees. Contact the Human Resources Department for more information about the retirement plan.

### **3.11 Open Door**

On occasion, employees may have questions, problems or suggestions regarding how something may be done better, faster or more economically. CSLLC is anxious to take steps necessary to address those questions, solve those problems and consider suggestions where appropriate. Supervisors are there to listen to employees, so you should feel free to talk to them at any time. If it is necessary to discuss some matter further, please feel free to speak to the Department Manager, Human Resources Manager of a Sr. Leadership Team member.

## **4 Timekeeping/Payroll**

### **4.1 Timekeeping**

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

All non-exempt employees should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They should also record the beginning and ending time of any split shift or departure from work for personal reasons.

Overtime work must always be approved before it is performed.

Exempt employees are expected to be present at work during core working hours when the office is open and to provide time/project records as requested.

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

## **4.2 Paydays**

All employees are paid biweekly on every other Friday. Each paycheck will include earnings for all work performed through the end of the previous payroll period.

In the event that a regularly scheduled payday falls on a day off such as a holiday, employees will generally be paid on the last day of work prior to the regularly scheduled payday.

If a regular payday falls during an employee's vacation, the employee may make arrangements to have the check mailed or picked up at a later date.

## **5 Work Conditions & Hours**

### **5.1 Work Schedules**

The normal work schedule for all non-exempt Regular Full Time employees is 8 hours a day, 5 days a week not including lunch. The "core" business hours are from 8:00 AM to 5:00 PM. This is the time period in which all Regular Full Time employees must be present. A 60 minute lunch is to be taken normally between 11:30 a.m. and 1:30 pm. along with two (2) 15 minute breaks; one scheduled in the morning and one scheduled in the afternoon. Employees should notify their supervisors when they will be late in arriving or early in departing. Flexible scheduling, or flextime, is available in some cases to allow employees to vary their starting and ending times each day within established limits. Flextime may be possible if a mutually workable schedule can be negotiated with the supervisor involved. However, such issues as staffing needs, the employee's performance, and the nature of the job will be considered before approval of flextime. Employees should consult their supervisor to request participation in the flextime program. Flextime may be revoked at anytime.

### **5.2 Use of Company Telephones**

Personal use of the company telephone for long-distance and toll calls is not permitted. Employees should use discretion when making local personal calls on company telephones or personal cell phones, keeping them to a maximum of 5 minutes. Excessive use of cell phones or company telephones for personal reasons during work hours is unacceptable and may result in disciplinary action, up to and including termination of employment. Employees may be required to reimburse CSLLC for any charges resulting from their personal use of the telephone. Any personal data or information on CSLLC telephones is owned by CSLLC.

To ensure effective telephone communications, employees should always use the approved greeting and speak in a courteous and professional manner. Employees should always address the customer respectfully and direct them to the appropriate person if required. Please confirm information received from the caller, and hang up only after the caller has done so.

### **5.3 Smoking**

Pursuant to the Smoke-Free Illinois Act, smoking is not permitted in restaurants, bars, nightclubs, workplaces and all public buildings, and is banned within 15 feet of building entrances, exits and windows. In keeping with CSLLC's intent to provide a safe and healthful work environment, smoking is prohibited in the workplace, common dock areas and within 15 feet of doorways. Please see your

supervisor about the location of the designated outdoor smoking area. Employees using this area are responsible for proper disposal of smoking debris (e.g., cigarette butts, wrappings, etc.). In situations where the preferences of smokers and nonsmokers are in direct conflict, the preferences of nonsmokers will prevail.

#### **5.4 Breaks**

All breaks are limited to a single 15 minute break within every continuous four-hour period worked. Each employee is responsible for respecting company time and the time of other employees.

#### **5.5 Use of Equipment**

Equipment essential in accomplishing job duties is often expensive and may be difficult to replace. When using company equipment, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines. It is the responsibility of the individual user to put the equipment away when finished using it.

Please notify your supervisor if any equipment, machines, or tools appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to you, your co-workers or others. Your supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment used on the job.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment can result in disciplinary action, up to and including termination of employment.

#### **5.6 Business Travel Expenses**

CSLLC will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. An officer or office manager must approve all business travel in advance.

Employees whose travel plans have been approved are responsible for making their own travel arrangements. Employees are expected to select the lowest airfare, rentals, and/or personal auto use that will meet the travel needs of the trip.

When approved, the actual costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by CSLLC upon submission of appropriate receipts and other documentation. Employees are expected to limit expenses to reasonable amounts (For example, maximum meal expenses should be: breakfast – \$7.00, lunch - \$10.00, and dinner \$20.00, except where client entertainment may be required).

Employees who are involved in an accident while traveling on business must promptly report the incident to their immediate supervisor. Vehicles owned, leased, or rented by CSLLC may not be used for personal use without prior approval.

When travel is completed, employees should submit completed travel expense reports within 30 days. Dated receipts for all individual expenses should accompany reports. Expenses generally will not be reimbursed without receipts.

Employees should contact their supervisor for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursement for specific expenses, or any other business travel issues.

Abuse of this business travel expenses policy, including falsifying expense reports to reflect costs not incurred by the employee, may be grounds for disciplinary action, up to and including termination of employment.



## 5.7 Computer & Internet Usage

Internet access to global electronic information resources on the World Wide Web is provided by CSLLC to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage. While Internet usage is intended for job-related activities, incidental and occasional brief personal use is permitted within reasonable limits. Personal passwords should not be considered a guarantee of privacy. Employees should have no expectation of privacy when using CSLLC's computers and other equipment. Any information and data accessed or sent using CSLLC computers is considered the property of CSLLC. CSLLC reserves the right to access your use of the Company's electronic systems, including but not limited to the computer and files, at any time, with or without your knowledge or approval, to assure compliance with this policy.

All Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of CSLLC and, as such, is subject to unannounced review and monitoring by CSLLC and to disclosure to law enforcement or other third parties. Consequently, employees should always ensure that the business information contained in Internet e-mail messages and other transmissions is accurate, appropriate, ethical, and lawful.

The equipment, services, and technology provided to access the Internet remain at all times the property of CSLLC. As such, CSLLC reserves the right to monitor Internet traffic, and retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems, including information and data that is accessed through an employee's personal computer while using CSLLC equipment.

Employees are prohibited from copying, moving, transferring, exporting, altering, erasing or destroying any information, program or software package from/on any of CSLLC's computers or network server without the prior permission of the Company VP of Administration/CFO. Because of licensing restrictions on certain software packages, violation of this rule can result in severe penalties to CSLLC. Employees violating this rule may be subject to discipline, up to and including termination, as well as civil and/or criminal prosecution under applicable law.

The VP of Administration/CFO will also decide what software can be introduced to CSLLC's system and conduct the virus screening necessary to protect the system security and integrity, and you must seek prior approval before any software is introduced into the system. Disciplinary action, up to and including termination, may follow for any violation of this policy.

Data that is composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person. Examples of unacceptable content may include, but are not limited to, sexual comments or images, racial slurs, gender-specific comments, or any other comments or images that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by law.

Internet users should take the necessary anti-virus precautions before downloading or copying any file from the Internet. All downloaded files are to be checked for viruses; all compressed files are to be checked before and after decompression.

Abuse of the Internet access provided by CSLLC in violation of law or CSLLC policies will result in disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of this policy. The following behaviors are examples of previously stated or additional actions and activities that are prohibited and can result in disciplinary action:

- Sending or posting discriminatory, harassing, or threatening messages or images
- Using the organization's time and resources for personal gain
- Sending or posting confidential material, trade secrets, or proprietary information outside of the organization

- Sending or posting messages or material that could damage the organization's image or reputation
- Participating in the viewing or exchange of pornography or obscene materials
- Attempting to break into the computer system of another organization or person
- Downloading unlicensed movies or music
- Engaging in any other illegal activities using CSLLC equipment

### **5.8 Blogging, Social Media and Social Networking Policy**

You are encouraged to use your professional judgment and to consult this policy when blogging or using social media and networking sites such as Facebook, LinkedIn, Twitter or flickr. Before posting content, make sure that both the company and you would ultimately find it acceptable if that content was on the front page of the *New York Times*. Consult with the Company's Legal Council or the Human Resources Manager if you have questions about communicating using blogs, social media or any networking or new media sites. Please remember that using CSLLC computers for blogging, social media and social networking is prohibited.

- Personal Blogs or Communications on Social Networking Sites

All personal blogs or communications must make clear that you are speaking for yourself and not necessarily on behalf of CSLLC. If possible, write in first person. If a member of any media (traditional print or new media) contacts you about CSLLC or if someone asks you for a statement on behalf of CSLLC, refer that person to the Director of Business Development.

If you identify yourself as an employee of CSLLC (either through the content of a posting or because your responsibilities involve being a spokesperson for CSLLC), identify yourself and do not post anonymously or using a pseudonym. State that the views expressed are yours and not those of the company. For example:

- "These views are mine and not the views of CSLLC."
- "I am not a spokesperson for CSLLC."

You should not post comments or and information that discloses any confidential or proprietary information (including non-public financial, technical or product information) about Control Solutions or any other company. Do not blog or post any information about CSLLC that has not been released to the public.

Be respectful to the company, employees and competitors, and do not refer to suppliers, partners, customers or vendors in your communications.

Do not use your personal blogs or other social media outlets to imply an affiliation with, or endorsement of competitors through participation in a commercial relationship or program with a competitor (for example, participating in an affiliate marketing arrangement with a competitor).

Do not post any material that is obscene, defamatory, profane, libelous, threatening, harassing, or abusive to others, including posting any anti-competitor statements or creating any anti-competitor forums, pages or blogs.

Blogging, tweeting and social networking activities should not interfere with your job.

Be aware that your actions captured online, even as an individual, can reflect on the reputation of the company.

Respect copyright and other intellectual property laws; do not post copyrighted materials without permission of the owner.

Do not use or incorporate the CSLLC company name(s), logos, or trademarks into your user name or profile images.

## 5.9 Workplace Violence Prevention

CSLLC is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in society in general, CSLLC has adopted the following guidelines to deal with intimidation, harassment, and other threats of (or actual) violence that may occur during business hours or on its premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of CSLLC without proper authorization.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public at any time, including off-duty periods, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's sex, race, age, or any characteristic protected by federal, state, or local law.

All threats of (or actual) violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of management. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public with whom you deal during the course of your employment. When reporting a threat of violence, you should be as specific and detailed as possible.

All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your workstation, do not try to intercede or see what is happening.

CSLLC will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical. In order to maintain workplace safety and the integrity of its investigation, CSLLC may suspend employees, either with or without pay, pending investigation.

Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

CSLLC encourages employees to bring their disputes or differences with other employees to the attention of their supervisors or the Human Resources Department before the situation escalates into potential violence.

## 5.10 Drugs and Alcohol Use

CSLLC is committed to providing a safe workplace and a work environment free from the often devastating effects of alcohol and controlled substance abuse. Consequently, the following conduct is strictly prohibited and may result in disciplinary action up to and including termination of employment:

- Reporting to work and/or entering CSLLC premises under the influence of alcohol or controlled substances; and

Using, possessing, selling, manufacturing, purchasing or transferring alcohol or controlled substances on CSLLC property (including parking lots, offices, desks and lockers), and CSLLC may require current employees to be tested for the presence of alcohol and/or controlled substances when it appears that work performance or on-the-job behavior is being affected or when an employee is involved in a workplace accident involving injury or damage to property.

This policy does not apply to employees who are taking medications as prescribed by a doctor. If you are taking medications that adversely affect job performance and/or safety, however, you should advise your supervisor or the Human Resources Department immediately so that reasonable precautions can be taken and/or accommodations can be provided, if necessary.

CSLLC reserves the right to inspect and/or search all CSLLC property, including but not limited to, desks, lockers, file cabinets and work benches, on a random and unannounced basis. CSLLC also reserves the same right to inspect any personal item brought onto its premises, including but not limited to personal items such as handbags, packages, shopping bags or lunch boxes and cars. All employees are expected to cooperate fully in any inspections.

Refusal by an employee to submit to a controlled substance or alcohol test as required, testing positive for controlled substances or alcohol, and engaging in other violations of this policy are considered very serious offenses and may result in disciplinary action up to and including termination of employment. Please see CSLLC's Drug Testing Policy for further details regarding CSLLC's compliance with the Department of Transportation's rules and regulations.

Employees are encouraged to seek voluntary treatment for alcohol and/or substance abuse. If you wish assistance or referral information, you may contact the Human Resource Department for more information. All such inquiries will be treated as confidential. Participating in a treatment program, however, will not excuse or limit your obligations to meet performance standards established for all employees or to comply with this policy. CSLLC expects all employees will work together to make the company a safe place to work and to eliminate controlled substance and alcohol abuse in the workplace.

## **6 The Family and Medical Leaves of Absence**

- **Employee Rights and Responsibilities**

Eligible employees are entitled to and may take family or medical leaves of absences as provided under the Family and Medical Leave Act of 1993 ("FMLA"). This policy explains what leave is available, to whom and under what circumstances. If you have any questions not answered by this policy, you should contact the Human Resources Department.

- **Basic Leave**

FMLA requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to eligible employees for the following reasons:

- For incapacity due to pregnancy, prenatal medical care or child birth;
- To care for the employee's child after birth, or placement for adoption or foster care;
- To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
- For a serious health condition that makes the employee unable to perform the employee's job.

- **Military Family Leave**

Eligible employees with a spouse, son, daughter, or parent on call to active duty status as a member of the National Guard or Reserves, or deployed to a foreign country as a member of the Armed Forces, including the National Guard or Reserves, may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings.

FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered servicemember during a single 12-month period. A covered

servicemember is (1) a current 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 incurred in the line of duty on active duty, or aggravated by service in the line of duty on active duty, that may render the servicemember medically unfit to perform his or her duties; or (2) a veteran who is undergoing medical treatment, recuperation, or therapy for a serious injury or illness incurred in the line of duty on active duty, or aggravated by service in the line of duty on active duty, that manifested itself before or after the servicemember became a veteran, and who was a member of the Armed Forces, including a member of the National Guard or Reserves, at any time during the period of 5 years preceding the date on which the veteran undergoes that medical treatment, recuperation, or therapy.

- **Benefits and Protections**

During an approved FMLA leave, CSLLC will maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work if the employee continues to pay his or her portion of the premiums as mandated by law. If you receive pay during FMLA leave, CSLLC will continue to make payroll deductions to collect your share of the premium for health care coverage. As with any other leave, employees on FMLA leave will not accrue seniority or vacation rights during the period of the leave.

Upon return from FMLA leave, most employees will be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. In the case of "key employees" (which are defined as salaried personnel who are among the highest paid 10% of the Company's employees), CSLLC may deny reinstatement from a leave under this policy to prevent substantial and grievous economic injury to its operations.

Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

- **Eligibility Requirements**

Employees are eligible for FMLA leave under this policy if they:

- have been employed by CSLLC for at least 12 months;
- have worked for CSLLC for at least 1,250 hours during the 12-month period immediately preceding the effective date of the requested leave; and
- are employed at a location with 50 or more employees or are employed at a worksite which has 50 or more employees within a 75-mile radius of that worksite.

- **Definition of Serious Health Condition**

A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

- **Use of Leave**

An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt CSLLC's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Eligible employees may take leave intermittently or on a reduced schedule basis if it is medically necessary. When medical leaves are taken on an intermittent basis, the 12-week maximum leave time will be calculated based on the actual time off. For example, if you normally work a 37.5 hour work week and you take six hours of unpaid leave during each of 20 weeks for a particular form of medical treatment, you will be charged with using 120 hours (3.2 weeks) of the total 12 weeks of unpaid leave to which you are entitled. If you are taking intermittent or reduced leave when such leave is foreseeable based on planned medical treatment, CSLLC may transfer you to an equivalent alternative position for which you are qualified with equal pay and benefits if that position better accommodates recurring periods of leave than does the employee's regular position.

- **Substitution of Paid Leave for Unpaid Leave**

Any applicable paid time off benefit that you have available (such as earned vacation, sick days, and short-term disability benefits) must be used during any period of FMLA leave. In order to use paid leave for FMLA leave, employees must comply with CSLLC's normal paid leave policies. The time during which such benefits are paid will not increase the amount of FMLA leave available, and employees will be entitled to a maximum of 12 weeks of FMLA leave in any rolling 12-month period, paid and unpaid. For example, if you have two paid sick days, you must use those days as part of an applicable 12-week FMLA leave entitlement.

- **Employee Responsibilities**

Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, the employee must provide notice as soon as practicable and generally must comply with CSLLC's normal call-in procedures. When the leave is requested in connection with scheduled medical treatment for a serious health condition, you also must make a reasonable effort to schedule the treatment so that it does not unduly disrupt the operations of CSLLC, e.g. before or after normal business hours.

Employees must provide sufficient information for CSLLC to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform CSLLC if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees are required to provide a certification and periodic recertification supporting the need for leave.

- **Employer Responsibilities**

CSLLC will inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, CSLLC will provide a reason for the ineligibility.

CSLLC will inform employees if leave will be designated as FMLA-protected and the amount of leave counted against CSLLC's leave entitlement. If CSLLC determines that the leave is not FMLA-protected, CSLLC will notify the employee.

- **Unlawful Acts by Employers**

FMLA makes it unlawful for any employer to:

- Interfere with, restrain, or deny the exercise of any right protected under FMLA;
- Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

- **Enforcement**

An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer.

FMLA does not affect any Federal or State law prohibiting discrimination, or supersede any State or local law or collective bargaining agreement which provides greater family or medical leave rights.

## **7 Employee Conduct & Disciplinary Action**

### **7.1 Employee Conduct and Work Rules**

To ensure orderly operations and provide the best possible work environment, CSLLC expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- Theft or inappropriate removal or possession of CSLLC or co-worker property
- Working under the influence of alcohol or illegal drugs
- Fighting or threatening violence in the workplace
- Insubordination or other disrespectful conduct
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- Excessive absenteeism or any absence without notifying your supervisor.
- Unauthorized disclosure of business "secrets" or confidential information

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

### **7.2 Sexual and Other Unlawful Harassment**

CSLLC is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Actions, words, jokes, or comments based on an individual's sex, race, color, national origin, age, religion, disability, genetic information, veteran status, sexual orientation, or any other legally protected characteristic will not be tolerated. CSLLC's policy goes beyond the types of conduct prohibited by law, and the company requires all employees (including managers) to treat others with dignity and professionalism in all work-related interactions. This policy is designed not only to comply with our legal obligations, but also to create a more positive work experience for all concerned. Any concerns raised under this policy will be resolved in management's judgment to prevent unlawful harassment and also to create a more positive work environment.

All employees (including managers) and all third parties doing business with CSLLC with whom our employees must come in contact are expected to behave in a manner appropriate for our work environment, and not just to avoid the most extreme, unlawful actions. Therefore, some types of conduct are acceptable in an informal social setting will not be considered acceptable at work. For example, sexually oriented pictures and/or conversations may be appropriate in private, social interactions but they are not appropriate at work. On the other hand, sexual harassment does not include occasional compliments or voluntary relationships between co-workers that do not interfere with job performance or have a negative impact on our professional work environment.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment examples:

- Unwanted sexual advances.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual advances.
- Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
- Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.
- Verbal sexual advances or propositions.
- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- Physical conduct that includes touching, assaulting, or impeding or blocking movements. Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

If you experience or witness sexual or other harassment prohibited by this policy in the workplace, report it immediately to your supervisor, a member of the Senior Leadership Team or the Human Resources Manager. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact the Human Resource Department or a member of the Sr. Leadership Team. No employee will be subject to retaliation for making a good faith complaint or participating in an investigation of a violation of this policy.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, information provided will be treated as confidential and will be protected against unnecessary disclosure. If CSLLC determines that a violation of this policy has occurred, it will take prompt remedial action designed to stop the harassment and assure it does not recur. When the investigation is completed, you will be informed of the outcome of the investigation.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment should take steps to stop the conduct as soon as possible, and immediately advise an officer so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other harassment in violation of this policy will be subject to disciplinary action, up to and including termination of employment.

### **7.3 Attendance and Punctuality**

To maintain a safe and productive work environment, CSLLC expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on CSLLC. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence.

Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

### **7.4 Personal Appearance**

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



During business hours or when representing CSLLC, you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position and accepted social standards.

Your supervisor or the office manager is responsible for establishing a reasonable dress code appropriate to the job you perform. If your supervisor feels your personal appearance is inappropriate, you may be asked to leave the workplace until you are properly dressed or groomed. Under such circumstance, non-exempt employees will not be compensated for the time away from work. Consult your supervisor if you have questions as to what constitutes appropriate appearance.

## **7.5 Resignation**

Resignation is a voluntary act initiated by the employee to terminate employment with CSLLC. Although advance notice is not required, CSLLC requests at least 2 weeks' written resignation notice from all employees. Upon demand, but in no event later than that separation, you must promptly return all CSLLC property in your possession.

## **7.6 Employee Discipline**

The purpose of this policy is to state CSLLC's position on administering discipline. The primary purpose of this disciplinary policy is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future.

Employment with CSLLC is based on mutual consent and both the employee and CSLLC have the right to terminate employment at will, with or without cause or advance notice. CSLLC may take disciplinary action at its discretion.

Disciplinary action may call for any of four steps -- verbal warning, written warning, suspension with or without pay, or termination of employment -- depending on the severity of the problem and the number of occurrences. There may be circumstances when one or more steps are bypassed. Because the circumstances of each case are different, CSLLC reserves the right to impose appropriate disciplinary action, up to and including termination, for the first offense, in its sole discretion.

The following steps will normally be followed in the event discipline is considered appropriate: a first offense may call for a verbal warning; a next offense may be followed by a written warning; another offense may lead to a suspension; and, still another offense may then lead to termination of employment. If more than 12 months have passed since the last disciplinary action, CSLLC may elect to start the process over.

CSLLC recognizes that there are certain types of employee problems that are serious enough to justify either a suspension or termination of employment, without going through any particular disciplinary process.

It is impossible to list every type of behavior that may lead to disciplinary action, but the Employee Conduct and Work Rules policy includes examples of problems that may result in disciplinary action, up to and including termination of employment.

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

## **7.7 Workplace Etiquette**

CSLLC strives to maintain a positive work environment where employees treat each other with respect and courtesy. Sometimes issues arise when employees are unaware that their behavior in the workplace may be disruptive or annoying to others. Many of these day-to-day issues can be addressed by politely talking with a co-worker to bring the perceived problem to his or her attention. In most cases, common sense will dictate an appropriate resolution. CSLLC encourages all employees to keep an open mind and graciously accept constructive feedback or a request to change behavior that may be affecting another employee's ability to concentrate and be productive.

The following workplace etiquette guidelines are suggestions for appropriate workplace behavior to help everyone be more conscientious and considerate of co-workers and the work environment. Please contact the Office Manager if you have comments, concerns, or suggestions regarding these workplace etiquette guidelines or any situation you feel may be a problem:

- Replace paper in the copy machine and printer paper trays when they are empty.
- Avoid public accusations or criticisms of other employees. Address such issues privately with those involved or your supervisor.
- Try to minimize unscheduled interruptions of other employees while they are working.
- Be conscious of how your voice travels, and try to lower the volume of your voice when talking on the phone or to others in open areas.
- Keep socializing to a minimum, and try to conduct conversations in areas where the noise will not be distracting to others.
- Minimize talking between workspaces or over cubicle walls. Instead, conduct conversations with others in their workspace.
- Refrain from using inappropriate language (swearing) that others may overhear.
- Monitor the volume when listening to music, voice mail, or a speakerphone that others can hear.
- Clean up after yourself and do not leave behind waste or discarded papers.

## **7.8 Confidentiality**

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

- Client information
- Financial information
- Pending projects and proposals
- Unpublished marketing materials, products, designs and ideas

The materials, products, designs, plans, trade secrets, ideas, patent data and information and other confidential business data of CSLLC are its property and during employment should never be given or disclosed to an outside organization or individual except through normal business channels and with appropriate authorization. Any employee who improperly transfers or discloses confidential information or who uses the Company information for personal gain will be subject to disciplinary action, up to and including termination of employment. After employment, you are obligated to maintain such information as confidential for as long as the information remains confidential

## **7.9 Non-Solicitation**

Employees are encouraged to take an active part in civic affairs and charities. In order to avoid interruption of work and to protect employees from unnecessary annoyance, however, you are not permitted to engage in oral solicitations of any kind during your or another employee's actual working time for any purpose. Distributing literature during working time and in working areas is also prohibited at all times.

**8 Facility and Premises Guidelines**

**8.1 Camera, Video and Audio Recording Policy**

Employees and consultants may not take pictures or videos or make audio recordings on Company premises or related to Company business or property without a legitimate business purpose. These rules apply to such matters as products, the manufacturing line, equipment, financial, strategic and other business documents and customer lists.

This policy applies to all media devices, including but not limited to stand-alone cameras and recording machines as well as those found in cell phones.

If you have any questions, please contact human resources. Failure to follow this policy may result in discipline, up to and including termination.

SIGNATURE AND ACKNOWLEDGMENT

The following is a statement which acknowledges that you have received a copy of the Control Solutions, Inc. Employee Handbook and that you agree to abide by the policies and procedures described in it.

I acknowledge receiving a copy of the Control Solutions LLC Employee Handbook and agree to abide by it.

**I understand and acknowledge that neither I nor Control Solutions LLC is bound to an employment contract or a commitment of employment for a definite period of time and the rights of either party to terminate the employment relationship are not limited. I understand that neither this Employee Handbook nor any other employee communication that may be circulated from time to time constitutes a contract of employment and that no representative of the Company other than the CEO has any authority to enter into any agreement for employment for any specified period of time or to make any arrangement to the contrary.**

\_\_\_\_\_

Signature: \_\_\_\_\_ Print Name: \_\_\_\_\_

Date: \_\_\_\_\_