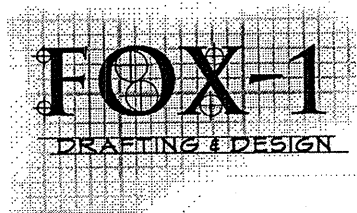


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# FOX-1, Inc.



## Employee Handbook

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# Employee Handbook and Policy Manual

*Effective Date: 02-18-1999*  
*Last Revision Date: 12-28-2011*

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# INTRODUCTION

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## Welcome to Fox-1

Welcome new employee! We welcome you to Fox-1 and wish you every success here. We believe that each employee contributes directly to the growth and success of Fox-1, and we hope you will take pride in being a member of our team.

This handbook was developed to describe some of the expectations of our employees and to outline the policies, programs, and benefits available to eligible employees. Employees should familiarize themselves with the contents of the employee handbook as soon as possible, for it will answer many questions about employment with Fox-1.

We hope that your experience here will be challenging, enjoyable, and rewarding. Again, welcome!

## Organization Description

Fox-1, Inc. provides services that allow our customers the flexibility to handle more work, more efficiently, therefore with greater profit margin. Fox-1 has a vast array of services. Fox-1 Drafting & Design offers drafting services as simple as a CAD redline to complex design. We supply the appropriate personnel, equipment, and systems administration that customers need on-site or at our office in Eagan, Minnesota. Fox-1 Drafting & Design's services include architectural redlines through design, mechanical drafting and design from 2D drawings to 3D solid modeling, and process piping from simple pipe design changes to complex systems. We also provide services in the following areas: P & ID's, PFD's, Mechanical Integrity Foundations, and OSHA 1910 requirements. We also offer reprographic services in both standard and color. Our employees possess specialized knowledge of software such as AutoCAD, Pro/ENGINEER, SolidWorks, Revit, CADWORX, and Mechanical Desktop.

Fox-1 Resources, Inc. specializes in staffing a wide range of professional, administrative, technical, financial, engineering, and accounting positions. We offer candidates and client companies' personal service, confidentiality, and the most ethical, professional standards in the recruiting industry. Additionally, we are woman-owned and community based. The experienced staff at Fox-1 carefully screens candidates to ensure successful placement time after time. On-site or off-site support is available. We place people into temporary, temporary to hire, and direct positions at client companies. Fox-1 values the long-term relationships between the individuals we place and our clients. Flexibility is the key to Fox-1 as we offer smart alternatives for savvy business. These alternatives can include vendor management, recruitment co-sourcing, on-site staffing, staff leasing, human resources services, and temporary staffing.

At Fox-1, we embrace the client's vision and needs to achieve mutual satisfaction and success.

## Introductory Statement

This handbook is designed to acquaint you with Fox-1 and provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. Read, understand, and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by Fox-1 to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

No employee handbook can anticipate every circumstance or question about policy. As Fox-1 continues to grow, the need may arise and Fox-1 reserves the right to revise, supplement, or rescind any policies or portion of the handbook from time to time as it deems appropriate, in its sole and absolute discretion. In the unlikely case that a section of this handbook happens to conflict with state law, that section may be invalidated without affecting the validity of the rest of the handbook.

## Employee Acknowledgement Form

The employee handbook describes important information about Fox-1, Inc. and I understand that I should consult the President or Human Resources Representative regarding any questions not answered in the handbook. I have entered into my employment relationship with Fox-1 voluntarily and acknowledge that there is no specified length of employment. Accordingly, either Fox-1 or I can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except for Fox-1's policy of employment-at-will. I understand that revised information may supersede, modify, or eliminate existing policies. Only the President or HR Representative of Fox-1 has the ability to adopt any revisions to the policies in this handbook.

Furthermore, I acknowledge that this handbook is not a contract of employment. I have received the handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it. The intended purpose of this handbook is to give me a general understanding of company policies. Fox-1 may revise, or revoke this handbook or policies at any time.

EMPLOYEE'S NAME (printed): \_\_\_\_\_

EMPLOYEE'S SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

# EMPLOYMENT

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## **Employment at Will Provision**

Effective Date: 2/18/99

Employment with Fox-1 is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, Fox-1 may terminate the employment relationship at will at any time, with or without notice or cause, so long as there is no violation of applicable federal or state law.

Policies set forth in this handbook are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between Fox-1 and any of its employees. The provisions of the handbook have been developed at the discretion of management and, except for its policy of employment-at-will, may be amended or cancelled at any time, at Fox-1's sole discretion.

These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the President of Fox-1.

## **Employee Relations**

Effective Date: 2/18/99

Revision Date: 2/9/11

Fox-1 believes that the working conditions, wages, and benefits it offers to its employees are competitive with those offered by other employers in this area and in this industry. If employees have concerns about working conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisors. If a concern is expressed to a supervisor and no response is received or the employee wishes to appeal the decision, the employee may write a memo detailing the grievance to the President. A timely written response will be given to the employee. Retaliation toward an employee for coming forward with a grievance is prohibited.

Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that Fox-1 amply demonstrates its commitment to employees by responding effectively to employee concerns.

## **Equal Employment Opportunity**

Effective Date: 2/18/99

Revision Date: 4/8/10

Equal Opportunity and Affirmative Action compliance is Fox-1, Inc.'s steadfast policy. Fox-1 abides by all pertinent EEO/AA federal and state laws including Chapter 363 of Minn. Statutes. The company pledges to commit necessary time as well as financial and human assets to the achievement of the affirmative action policy. In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Fox-1 will be based on merit, qualifications, and abilities.

No employee of the company will discriminate against or harass an applicant for employment or a fellow employee because of race, creed, color, religion, gender, sexual orientation, national origin, ancestry, age,

pregnancy, disability, marital status, genetic information, or status with regard to public assistance. Additionally, no employee of the company will discriminate against or harass any applicant or fellow employee because of the person's veteran status. Any Fox-1 employee who violates this policy will be subject to disciplinary action up to and including termination. Also, a policy violator may be subject to legal sanction.

Our commitment to this policy pertains to all employment practices and personnel actions including, but is not limited to: recruitment, application, testing, selection, hiring, placement, orientation, on-the-job and external training, educational assistance, transfer opportunity, upgrading, promotion, compensation, discipline, company sponsored social and recreational activities, benefits, layoff, recall, termination, and all other terms and conditions of employment.

Fox-1, Inc. has adopted an affirmative action policy which essentially means that the company will aggressively seek out, hire, develop, and promote qualified members of protected groups — defined as racial minorities, women, physically or mentally disabled, disabled veterans, veterans of the Vietnam era, and persons ages of 40 and over.

Kristen Bartsch, Human Resources Representative and Owner of Fox-1 Resources, Inc., has been assigned to develop and coordinate the company-wide affirmative action plan. Employees and contractors are directed that Ms. Bartsch champions this role within the company. Fox-1 Resources, Inc. is a woman-owned company; we appreciate the challenges faced daily in the competitive marketplace. To that end, we will, to the maximum extent feasible, utilize businesses owned and controlled by women and minorities for purchases, contracts, and services.

Any 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, Kristen Bartsch, Human Resources Representative/Owner of Fox-1 Resources, Inc., Brent Bartsch, Owner of Fox-1 Drafting & Design, or the Director of Fox-1 Resources. Company managers have an open door policy, so employees should feel free to stop by or call any time. No retaliation will be allowed toward a person expressing a concern.

Professional and fair treatment of all employees is our cornerstone.

## **Business Ethics and Conduct**

Effective Date: 2/18/99

Revision Date: 3/15/01

The successful business operation and reputation of Fox-1 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 Fox-1 is dependent upon our customers' trust and we are dedicated to preserving that trust. Employees owe a duty to Fox-1, its customers, and shareholders to act in a way that will merit the continued trust and confidence of the public.

Fox-1 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, the Human Resources Representative or, if necessary, with the President for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every Fox-1 employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

## **Immigration Law Compliance**

Effective Date: 2/18/99

Fox-1 is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with Fox-1 within the past three years, or if their previous I-9 is no longer retained or valid.

Employees with questions or seeking more information on immigration law issues are encouraged to contact the President. Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

## **Conflicts of Interest**

Effective Date: 2/18/99

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which Fox-1 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 the President for more information or questions about conflicts of interest.

Transactions with outside firms must be conducted within a framework established and controlled by the executive level of Fox-1. Business dealings with outside firms should not result in unusual gains for those firms. Unusual gain refers to bribes, product bonuses, special fringe benefits, unusual price breaks, and other windfalls designed to ultimately benefit either the employer, the employee, or both. Promotional plans that could be interpreted to involve unusual gain require specific executive-level approval.

An actual or 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 or for a relative as a result of Fox-1's business dealings. 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.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to an officer of Fox-1 as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which Fox-1 does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving Fox-1.



## **Outside Employment**

Effective Date: 2/18/99

An employee may hold a job with another organization as long as he or she satisfactorily performs his or her job responsibilities with Fox-1. All employees will be judged by the same performance standards and will be subject to the scheduling demands of Fox-1, regardless of any existing outside work requirements.

If Fox-1 determines that an employee's outside work interferes with performance or the ability to meet the requirements of Fox-1 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 Fox-1.

Any outside employment will present a conflict of interest if it has an adverse impact on Fox-1.

## **Employment for Client Company—No Other Engagement**

Effective Date: 7/1/04

The continued success of Fox-1 is dependent upon our customers' trust and we are dedicated to preserving that trust. Likewise, Fox-1 employees owe a duty to Fox-1, its customers, and shareholders to act in a way that will merit continued trust and confidence. Fox-1 understands that in the realm of contract or temporary employment there may be situations in which a client company wishes to directly hire a Fox-1 employee. Our company applauds employment situations that work out beneficially for the employee and client. Fox-1 has made arrangements with clients for such situations. Fox-1 employees are prohibited from voluntarily terminating employment then directly joining a client company within six months of the employee's termination date. Fox-1 employees who are in an in-house or staff role are likewise prohibited from accepting employment with any Fox-1 client or customer company within six months of their termination date.

Fox-1 staff members spend vast amounts of hours marketing the company, establishing relationships with client companies, and recruiting qualified employees to fill client job openings. Our employees benefit from our relationships with particular clients and our expertise in placing them into suitable positions. Generally Fox-1 employees are solely in a current employment relationship because of our referral to that client, and our time and money spent establishing Fox-1 in our chosen markets and satisfactorily meeting our clients' needs. To that end, Fox-1 must actively protect the interests of the company, as it operates in a highly competitive environment. All Fox-1 employees who are assigned to a client company are prohibited from switching to any other competing firm or company's payroll at the same client company. Employees who voluntarily terminate employment and are confirmed to be working on a competitor's payroll at the same client company will be subject to any and all legal sanctions allowable by State and Federal law. Additionally, the customer or affiliate will be subject to a hiring fee for a percentage of the employee's annual salary. Only the Director or President of Fox-1, Inc., may grant exceptions to these policies.

## **Non-Disclosure**

Effective Date: 2/18/99

The protection of confidential business information and trade secrets is vital to the interests and the success of Fox-1. Such confidential information includes, but is not limited to, the following examples:

- computer processes
- computer programs and codes
- customer lists
- customer preferences
- financial information

- marketing strategies
- new materials research
- pending projects and proposals
- proprietary production processes
- research and development
- scientific data
- scientific formulas
- scientific prototypes
- technological data
- technological prototypes

All employees may be 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 and legal action, even if they do not actually benefit from the disclosed information.

# EMPLOYMENT STATUS & RECORDS

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## Employment Categories

Effective Date: 02/23/99

Revision Date: 12/28/11

It is the intent of Fox-1 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 Fox-1.

Each employee is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour laws. NONEXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wage and hour laws. An employee's EXEMPT or NONEXEMPT classification may be changed only upon written notification by Fox-1 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 Fox-1's full-time (32 + hours per week) schedule. Generally, they are eligible for Fox-1's total 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 24 hours per week. Regular part-time employees are eligible for some benefits sponsored by Fox-1, subject to the terms, conditions, and limitations of each benefit program.

**PART-TIME** employees are those who are not assigned to a temporary or introductory status and who are regularly scheduled to work 23 hours or less per week. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they are ineligible for all of Fox-1's other benefit programs.

**TEMPORARY** employees are those who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific or seasonal project. Employment assignments in this category are of a limited duration (less than 6 months). Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. All legally mandated benefits (such as Social Security and workers' compensation insurance) are provided to temporary employees. They are ineligible for Fox-1, Inc. standard benefit program.

**PER DIEM** employees are those who routinely work either a full-time or a part-time schedule and who accept additional compensation for eligible living expenses as verified by a Per Diem Substantiation Form. Fox-1 offers this category in limited classifications and to limited numbers of employees. All legally mandated benefits (such as Social Security and workers' compensation insurance) are provided to per diem employees. Some other Fox-1 -sponsored benefits may also be available, subject to the terms, conditions, and limitations of each benefit program.

**INDEPENDENT CONTRACTORS** Assignments in this category are of a specialized and limited duration and for a specific project. A business relationship beyond any initially stated period does not in any way imply a change in status. All legally mandated benefits (such as Social Security and workers' compensation insurance) are provided by the independent contractor. A change to or from this category can be accomplished only with the written consent of Fox-1.

Some other Fox-1 -sponsored benefits may also be available, subject to the terms, conditions, and limitations of each benefit program.

**STUDENT INTERN** employees are those who are assigned to a temporary or introductory status and who are regularly scheduled to work less than 24 hours per week. These employees are usually enrolled in a vocational schooling program. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they are ineligible for all of Fox-1's other benefit programs.

## **Access to Personnel Files**

Effective Date: 2/23/99

Revision Date: 3/15/01

Fox-1 maintains a personnel file on each employee. The personnel file includes such information 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 Fox-1, and access to the information they contain is restricted. Generally, only supervisors and management personnel of Fox-1 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 their immediate supervisor, Human Resources Representative, or the President. With reasonable advance notice, employees may review their own personnel files in the office of Fox-1 and in the presence of an individual appointed by Fox-1 to maintain the files.

## **Employment Reference Checks**

Effective Date: 2/23/99

Revision Date: 2/9/11

To ensure that individuals who join Fox-1 are well qualified and have a strong potential to be productive and successful, it is the policy of Fox-1 to check the employment references.

The human resources manager will respond in writing only to those reference check inquiries that are submitted in writing. Responses to such inquiries will confirm only dates of employment, wage rates, and position held. No subjective employment information will be released without a written authorization and release signed by the individual who is the subject of the inquiry.

## **Personnel Data Changes**

Effective Date: 2/23/99

Revision Date: 3/15/01

It is the responsibility of each employee to promptly notify Fox-1 of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed, notify the Human Resources Representative.

# Employment Applications

Effective Date: 2/23/99

Fox-1 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.

# Performance Evaluation

Effective Date: 2/23/99

Revision Date: 6/30/05

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Additional formal performance evaluations are 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 are scheduled approximately annually, coinciding generally with the anniversary of the employee's original date of hire. If, for any reason, you have not received an annual review, you should feel free to approach your immediate supervisor to schedule one.

Fox-1 is deeply appreciative of its employees' work efforts. To that end, we strive to ensure that long-term employees receive an annual performance review, as well as periodic performance feedback. Multiple factors influence our ability to offer employees an annual pay increase. Outstanding or above average performance and work attendance may warrant an increase for contractors assigned to a client site, if approved by the client company. Staff employees may receive an annual merit based increase as approved by their supervisor and the company owner. However, a pay increase is never guaranteed. In the case that a rate increase is approved, Fox-1 will process the increase for the next effective pay period. Merit based pay adjustments are awarded by Fox-1 in an effort to recognize truly superior employee performance and reliability. The decision to award such an adjustment is dependent upon numerous factors, including the information documented by this performance evaluation process.

# EMPLOYMENT BENEFIT PROGRAMS

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## Employee Benefits

Effective Date: 5/1/2009

Revision Date: 4/15/2009

Eligible employees at Fox-1 are provided a wide range of benefits. A number of the programs (such as Social Security, workers' compensation, state disability, and unemployment insurance) cover all employees in the manner prescribed by law.

Benefits eligibility is dependent upon a variety of factors, including employee classification. Your supervisor or human resources manager can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the employee handbook.

The following benefit programs are available to eligible employees:

- \* 401(k) Savings Plan
- \* Benefit Conversion at Termination (COBRA)
- \* Medical Insurance – Limited-Benefit Medical Health Plan
- \* Holidays
- \* Aflac Insurance
- \* Dental Insurance
- \* Paid Time Off (PTO)

Most benefit programs require varied contributions from the employee.

## Holidays

Effective Date: 02/23/99

Revision Date: 12/28/11

Fox-1 will grant holiday time off to all eligible employees on the holidays listed below:

- New Year's Day (January 1)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Thanksgiving (fourth Thursday in November)
- Christmas Day (December 25)

Fox-1 will grant paid holiday time off to all eligible employees who have completed six months of service in an eligible employment classification. 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. The eligible employee must be actively at work, not on layoff status.

Eligible employee classification(s):

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

If a recognized holiday falls during an eligible employee's planned paid absence (such as vacation), holiday pay will be provided instead of the paid time off benefit that would otherwise have applied. Employees must work the regular work day before and after the holiday to receive holiday pay. The only exception to this policy is if the employee has been granted pre-approved time off before or after the holiday that falls. In that case, the holiday will be paid. However Holiday pay will not be paid if the employee is absent prior to the pre-approved time off.

Example: Thanksgiving Holiday pay.

Employee requests and is given pre-approved time off for the Wednesday and Friday off surrounding Thanksgiving. Then on Tuesday the employee calls in sick - i.e. now that employee has called in unable prior to the Holiday and will not receive Holiday pay for Thanksgiving. The reason for this policy is that we want our employees to work their scheduled hours surrounding holidays.

If eligible nonexempt employees work on a recognized holiday, they will receive holiday pay plus wages at their straight time rate for the hours worked on the holiday.

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

## **Workers' Compensation Insurance**

Effective Date: 2/23/99

Fox-1 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 Fox-1 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 Fox-1.

## **Time Off to Vote**

Effective Date: 2/23/99

Fox-1 encourages employees to fulfill their civic responsibilities by participating in elections. Generally, employees are able to find time to vote either before or after their regular work schedule. If employees are unable to vote in an election during their non-working hours, Fox-1 will grant up to two hours of time off to vote.

Employees should request time off to vote from their supervisor at least two working days prior to the election day. Advance notice is required so that the necessary time off can be scheduled at the beginning or end of the work shift, whichever provides the least disruption to the normal work schedule.

## **Jury Duty**

Effective Date: 2/23/99

Revision Date: 11/14/06

Fox-1 encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees may request unpaid jury duty leave for the length of absence. If desired, employees may use any available paid time off (i.e. vacation benefits).

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

Either Fox-1 or the employee may request an excuse from jury duty if, in Fox-1's judgment, the employee's absence would create serious operational difficulties.

Fox-1 will continue to provide the employers' defined portion of benefits for the full term of the jury duty absence.

## **Benefits Continuation (COBRA)**

Effective Date: 2/23/99

Revision Date: 12/28/11

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under Fox-1's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or 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 Fox-1's group rates plus a 2% administration fee. Fox-1 provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under Fox-1's health insurance plan. The notice contains important information about the employee's rights and obligations.

## **Paid Time Off (PTO)**

Effective Date: 02/23/99

Revision Date: 12/28/11

Paid Time Off (PTO) is an all-purpose time-off policy for eligible employees to use for vacation, illness or injury, and personal business. It combines traditional vacation and sick leave plans into one flexible, paid time-off policy. Employees in the following employment classification(s) are eligible to earn and use PTO as described in this policy:

- \* Regular full-time employees
- \* Regular part-time employees



\* Per diem employees

Once employees enter an eligible employment classification, and pass the eligibility period of six months of service, they are eligible to use accrued PTO hours. PTO accrues based on the employee's start date or eligible date and is banked until the waiting period of six months is completed. The amount of PTO employees receive each year is shown in the following schedule:

- Upon initial eligibility the employee is entitled to 2.5 PTO days each 1000 hours of work (You can earn up to 5 days per year.) Accrued unused PTO can be used after completion of initial six month waiting period.

Paid time off is accrued based on straight time hours worked; PTO is not accrued for overtime hours worked. At the end of the calendar year, the company will carry over up to 20 hours of unused accrued PTO per employee. Plan wisely and use accrued time off during the year to avoid losing any hours at year-end. If an employee is in a rare, legitimate situation of not being able to take paid time off during the year, this should be discussed in a timely manner with a Fox-1 manager.

PTO can be used in minimum increments of one hour. Employees may not go "in the hole" with paid time off hours. If an employee has used all paid time off hours and still needs time off, that time off will be unpaid. To schedule planned PTO, employees should request advance approval from Fox-1 and their on-site supervisor. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. PTO is paid at the employee's base pay rate at the time of absence. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

Paid time off is not a paid out benefit. If you quit employment or are terminated from Fox-1 Resources accrued hours will not be paid out. Once an employee gives notice of quitting a position – PTO can't be used for any missing time.

## **Bereavement Time**

Effective Date: 03-23-10

Employees are eligible to take a reasonable amount of time away from work due to a death of an immediate family member (i.e. make funeral arrangements, attend a visitation or funeral, etc.). They can use their PTO or take up to one week off without pay (*for the death of an immediate family member*). Time off must be pre-approved by the immediate supervisor and Fox-1 representative.

## **Leave of Absence**

Effective Date: 3/4/03

Revision Date: 3/23/10

Certain personal situations may necessitate a leave of absence from work. Reasons may include, but are not limited to, birth or adoption of a child, serious illness, the serious illness of an immediate family member, or active duty military family circumstances. An employee's personal situation should be discussed in advance, if possible, with the immediate supervisor. Leave of absence may be granted for qualified reasons if approved by the immediate supervisor, Human Resources Representative, and President.

Fox-1 complies with all state and federal laws pertaining to leave of absence, including FMLA (Family and Medical Leave Act). Approved leaves are based on a rolling 12 month period, not calendar year. An employee on FMLA leave would be entitled to 12 weeks of leave during the year beginning on the first date FMLA leave is taken. The next 12 month period would begin the first time FMLA leave is taken after completion of any previous 12-month period. Leave is contingent on required paperwork being returned to the Fox-1 HR department.

# TIMEKEEPING/PAYROLL

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## Timekeeping

Effective Date: 2/24/99

Accurately recording time worked is the responsibility of every nonexempt employee. Federal and state laws require Fox-1 to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

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.

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.

NON EXEMPT employees should report to work no more than 10 minutes prior to their scheduled starting time nor stay more than 10 minutes after their scheduled stop time without expressed, prior authorization from their supervisor.

It is the employees' responsibility to sign their time records to certify the accuracy of all time recorded. The supervisor will review and then initial the time record before submitting it for payroll processing. In addition, if corrections or modifications are made to the time record, both the employee and the supervisor must verify the accuracy of the changes by initialing the time record.

## Paydays

Effective Date: 2/24/99

Revision Date: 7/23/04

Some employees are paid weekly every Friday and some are paid on a bi-weekly basis every other Friday. Check with your immediate supervisor to confirm the payroll cycle for your position. Each paycheck will include earnings for all verified work performed through the end of the previous payroll period. Submitting a timecard late may result in the employee waiting until the next regular payroll period for payment.

In the event that a regularly scheduled payday falls on a day off such as a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

If a regular payday falls during an employee's vacation, the employee's paycheck will be available upon his or her return from vacation.

## **Paychecks: Mailed**

Effective Date: 10/14/02

Revision Date: 7/23/04

Paychecks are processed weekly or bi-weekly and are distributed and post-dated for Friday of the pay week.

Fox-1 mails weekly or bi-weekly paychecks to employee home addresses, unless specifically requested otherwise by an employee. Fox-1 places checks in the mail for an expected Friday delivery. We cannot control any unforeseen delays with the United States Postal Service.

In the unfortunate event that a paycheck is delayed due to the USPS, Fox-1 will not cut another check before the following Wednesday [3 business days after the check should have been received]. If an employee requests this be done sooner; a fee of \$25.00 will be charged to place a “stop payment” on their original check.

## **Employment Termination**

Effective Date: 2/24/99

Revision Date: 10/1/08

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

- Resignation - voluntary employment termination initiated by an employee.
- Discharge - involuntary employment termination initiated by the organization.
- Layoff - involuntary employment termination initiated by the organization for non-disciplinary reasons.

Fox-1, Inc. reserves the right to terminate employees for reasons not stated in the handbook or for no reason at all. Any employee who does not call into work or report for work for is considered to have voluntarily resigned.

Since employment with Fox-1 is based on mutual consent, both the employee and Fox-1 have the right to terminate employment at will, with or without cause, at any time. Employee benefits will be affected by employment termination. Some benefits may be continued at the employee's expense if the employee so chooses. When employment ends Fox-1 reserves the right on the final paycheck to collect insurance premiums owed through the end of the coverage month. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

Fox-1 may schedule an exit interview at the time of employment termination. The exit interview will afford an opportunity to discuss such issues as employee benefits, conversion privileges, repayment of outstanding debts to Fox-1, or return of Fox-1-owned property. Suggestions, complaints, and questions can also be voiced.

## **Administrative Pay Corrections**

Effective Date: 2/24/99

Revision Date: 10/18/04

Fox-1 takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday.

In the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the immediate supervisor, Office Manager, Human Resources Representative, or the President so that corrections can be made as quickly as possible.

Fox-1 will NOT reimburse for any “fees” employees may incur, if, due to the USPS or other circumstances, there is an unfortunate delay in receiving a paycheck.

## **Pay Deductions and Setoffs**

Effective Date: 02-24-99

Revision Date: 06-07-02

The law requires that Fox-1 make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes. Fox-1 also must deduct Social Security taxes on each employee's earnings up to a specified limit that is called the Social Security "wage base". Fox-1 matches the amount of Social Security taxes paid by each employee.

Fox-1 offers programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions from their pay checks to cover the costs of participation in these programs.

Pay setoffs are pay deductions taken by Fox-1, usually to help pay off a debt or obligation to Fox-1 or others. Fox-1 complies with all applicable state and federal laws regarding garnishment of wages or levies. An employee will be notified if earnings are subject to any legally mandated garnishment.

If you have questions concerning why deductions were made from your pay check or how they were calculated, your supervisor or Human Resources Representative can assist in having your questions answered.

# WORKING CONDITIONS & HOURS

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## Safety

Effective Date: 2/24/99

Revision Date: 02/16/04

To assist in providing a safe and healthful work environment for employees, customers, and visitors, Fox-1 has established a workplace safety program. This program is a top priority for Fox-1. The Human Resources Representative has responsibility for implementing, administering, monitoring, and evaluating the safety program. Its success depends on the alertness and personal commitment of all.

Fox-1 provides information to employees about workplace safety and health issues through regular internal communication channels such as monthly safety meetings, bulletin board postings, memos, or other written communications.

Some of the best safety improvement ideas come from employees. Those with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to raise them with their supervisor, or with another supervisor or manager, or bring them to the attention of the President. Reports and concerns about workplace safety issues may be made anonymously if the employee wishes. All reports can be made without fear of reprisal.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor. Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify the President, Human Resources Representative or the appropriate supervisor. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefits procedures.

Please reference the **Fox-1 Safety Manual** for more complete safety information.

## Work Schedules

Effective Date: 2/24/99

Revision Date: 2/9/11

Work schedules for employees vary throughout our organization. Supervisors will advise employees of their individual work schedules. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

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.

Fox-1 employees are not authorized to work "off the clock" under any circumstances.

## **Use of Phone and Mail Systems**

Effective Date: 2/24/99

Revision Date: 2/9/11

To ensure effective telephone communications, employees should always use the approved greeting and speak in a courteous and professional manner. Please confirm information received from the caller, and hang up only after the caller has done so.

Employees may be required to reimburse Fox-1 for any charges resulting from their personal use of the telephone (i.e. long distance, cellular phones). Please keep all personal calls to a minimum.

Cellular phones not issued by Fox-1 are required to be turned off or set at vibrate during regular business hours.

The use of Fox-1 paid postage for personal correspondence is not permitted.

## **Smoking**

Effective Date: 2/24/99

In keeping with Fox-1's intent to provide a safe and healthful work environment, smoking is prohibited throughout the workplace.

This policy applies equally to all employees, customers, and visitors.

## **Attendance and Punctuality**

Effective Date: 09/05/02

Revision Date: 3/10/05

Reliability and punctuality are extremely important to your success with our company. Should you be ill or have an emergency that prevents you from working, please contact your manager at Fox-1, Inc. at least one hour before your shift begins. If you are assigned to a customer location, you must also directly telephone your supervisor at your daily work location to notify of your impending absence. This is very important for coordination of work schedules. Contract or temporary employees assigned to customer locations should follow the specific instructions of their immediate Fox-1 manager regarding planned and unplanned time off and what to do in case of an absence.

Excessive unplanned absences may result in disciplinary action up to and including termination of employment. In the same vein, excessive tardiness is grounds for disciplinary action up to and including termination.

## **Overtime**

Effective Date: 2/24/99

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. All overtime work must receive the supervisor's prior authorization. Overtime assignments will be distributed as equitably as practical to all employees qualified to perform the required work.

Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage and hour restrictions. Overtime pay is based on actual hours worked.

Time off for sick leave, vacation leave, or any leave of absence will not be considered hours worked for purposes of performing overtime calculations. Hours worked over 40 actual hours per week may be eligible for overtime pay. Some positions may be exempt from overtime pay.

Employees who work overtime without receiving prior authorization from the supervisor may be subject to disciplinary action, up to and including possible termination of employment. If an employee is requested to work overtime to complete a specific project, it is strongly suggested that the extra effort is made. Repeated refusals to work overtime when it is requested by a Fox-1 supervisor may result in disciplinary action up to and including termination.

## **Use of Equipment and Vehicles**

Effective Date: 2/24/99

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using company property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Please notify the supervisor if any company equipment, machines, tools, or vehicles 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 employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment.

## **Business Travel Expenses**

Effective Date: 2/24/99

Fox-1 will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. All business travel must be approved in advance by the President.

Employees whose travel plans have been approved should make all travel arrangements through Fox-1's designated travel agency.

When approved, the actual costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by Fox-1. Employees are expected to limit expenses to reasonable amounts. Receipts that verify each expense must accompany expense submissions.

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 Fox-1 may not be used for personal use without prior approval.

With prior approval, employees on business travel may be accompanied by a family member or friend, when the presence of a companion will not interfere with successful completion of business objectives. Generally, employees are also permitted to combine personal travel with business travel, as long as time away from work is approved. Additional expenses arising from such non-business travel are the sole responsibility of the employee. Fox-1 has the right to audit expense reports and may refuse to reimburse unapproved expenses.

When travel is completed, employees should submit completed travel expense reports within 30 days. Reports should be accompanied by receipts for all individual expenses.

Employees should contact their supervisor or Human Resources Representative 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, can be grounds for disciplinary action, up to and including termination of employment.

## **Computer and E-mail Usage**

Effective Date: 2/24/99

Revision Date: 6/30/05

Computers, computer files, the e-mail system, and software furnished to employees are Fox-1 property intended for business use. Employees should not use a password, access a file, or retrieve any stored communication without authorization. Resources and data are to be used only for authorized purposes and employees should not attempt to access data that they are not authorized to access. To ensure compliance with this policy, computer and e-mail usage may be monitored.

Fox-1 strives to maintain a workplace free of harassment and sensitive to the diversity of its employees. Therefore, Fox-1 prohibits the use of computers and the e-mail system in ways that are disruptive, offensive to others, or harmful to morale.

For example, the display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off color jokes, or anything that may be construed as harassment or showing disrespect for others.

Fox-1 purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related documentation. Unless authorized by the software developer, Fox-1 does not have the right to reproduce such software for use on more than one computer.

Employees may only use software on local area networks or on multiple machines according to the software license agreement. Fox-1 prohibits the illegal duplication of software and its related documentation.

Employees should notify their immediate supervisor, Human Resources Representative, or the President upon learning of violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.

## **Internet Usage**

Effective Date: 2/24/99

Internet access to global electronic information resources on the World Wide Web may be provided by Fox-1 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.

All Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of Fox-1 and, as such, is subject 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 Fox-1. As such, Fox-1 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.

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.

The unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited. As a general rule, if an employee did not create material, does not own the rights to it, or has not gotten authorization for its use, it should not be put on the Internet. Employees are also responsible for ensuring that the person sending any material over the Internet has the appropriate distribution rights.

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 Fox-1 in violation of law or Fox-1 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:

1. Sending or posting discriminatory, harassing, or threatening messages or images.
2. Using the organization's time and resources for personal gain.
3. Copying, pirating, or downloading software and electronic files without permission.
4. Sending or posting confidential material, trade secrets, or proprietary information outside of the organization.
5. Violating copyright law.
6. Failing to observe licensing agreements.
7. Engaging in unauthorized transactions that may incur a cost to the organization or initiate unwanted internet services and transmissions.
8. Sending or posting messages or material that could damage the organization's image or reputation.
9. Participating in the viewing or exchange of pornography or obscene materials.
10. Sending or posting messages that defame or slander other individuals.
11. Attempting to break into the computer system of another organization or person.
12. Refusing to cooperate with a security investigation.
13. Jeopardizing the security of the organization's electronic communications systems.
14. Passing off personal views as representing those of the organization.
15. Engaging in any other illegal, offensive or discriminatory activities.

## **Workplace Monitoring**

Effective Date: 2/24/99

Workplace monitoring may be conducted by Fox-1 or Fox-1 customers to ensure quality control, employee safety, security, and customer satisfaction. Computers furnished to employees are the property of Fox-1. As such, computer usage and files may be monitored or accessed. Because Fox-1 is sensitive to the legitimate privacy rights of employees, every effort will be made to guarantee that workplace monitoring is done in an ethical and respectful manner.

# Social Computing

Effective Date: 2/9/11

- Personal responsibility is vital. Fox-1 employees are personally responsible for the content they publish on-line, whether in a blog, social computing site or any other form of user-generated media. Be mindful that what you publish will be public for a long time. Protect yourself by being careful about what personal information you share online.
- Identify yourself and state that it's your opinion. Disclose your name and, when relevant, role at Fox-1. You must make it clear that you are speaking for yourself and not on behalf of Fox-1.
- If you publish content online relevant to Fox-1 in your personal capacity use a disclaimer such as this: "The postings on this site are my own and don't necessarily represent Fox-1's positions, strategies or opinions."
- Respect copyright, fair use and financial disclosure laws.
- Confidential information of Fox-1 or Fox-1's customers or affiliates should not be published, posted, or released. Don't provide Fox-1's or a Fox-1 customer's confidential or other proprietary information and never discuss Fox-1 business performance or other sensitive matters publicly.
- Don't cite or reference clients, partners or suppliers without their approval. When you do make a reference, link back to the source. Don't publish anything that might allow inferences to be drawn which could embarrass or damage a client. Never share personal information about our customers.
- Honor differences of others and respect your audience. Don't use ethnic slurs, personal insults, obscenity, or engage in any conduct that would not be acceptable in Fox-1's workplace. You should also show proper consideration for others' privacy and for topics that may be considered objectionable or inflammatory—such as politics and religion.
- Be aware of your association with Fox-1 in online social networks. If you identify yourself as a Fox-1 employee, ensure your profile and related content is consistent with how you wish to present yourself with colleagues and clients.
- Use common sense and good judgment. Don't pick fights, be the first to correct your own mistakes.
- Try to add value. Provide worthwhile information and perspective. Fox-1's image is best represented by its people and what you publish may reflect on Fox-1's reputation.
- Don't use Fox-1 logos or trademarks unless approved to do so.
- Social media use should not interfere with your responsibilities at Fox-1. Our computer systems are to be used for business purposes only. Use of Fox-1 computers or customers' computers for accessing social media networks, personal blogging, or creating other types of online content could result in the company limiting your ability to engage in these activities during work time and/or disciplinary action against you. Additionally, texting or tweeting on your personal device or cell phone during your work shift may result in disciplinary action against you.

In summary, if you find yourself wondering if you can disclose something you learned at work—please don't. Follow Fox-1's policies while employed. Consequences of not following our guidelines could include:

- Loss of your job
- You could get Fox-1 in legal trouble with customers
- Loss of customer relationships resulting in lack of jobs within our company

## **Workplace Violence Prevention**

Effective Date: 2/24/99

Revision Date: 3/15/01

Fox-1 is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in society in general, Fox-1 has adopted the following guidelines to deal with intimidation, harassment, or 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 Fox-1 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. 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 President and Human Resources Representative. Do not place yourself in peril. If you see or hear a commotion or disturbance near your work station, do not try to intercede or see what is happening.

Fox-1 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, Fox-1 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. Fox-1 encourages employees to bring their disputes or differences with other employees to the attention of their supervisor, Human Resources Representative or the President before the situation escalates into potential violence. Fox-1 is eager to assist in the resolution of employee disputes.

# EMPLOYEE CONDUCT & DISCIPLINARY ACTION

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## Drug and Alcohol Use

Effective Date: 2/24/99

Revision Date: 10/02/09

It is the desire of Fox-1 to provide a drug-free, healthful, and safe workplace. To promote this goal, employees are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner.

While on Fox-1 premises and while conducting business related activities off the premises of Fox-1, no employee may use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace.

Violations of this policy may lead to disciplinary action, up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences.

Employees with questions or concerns about substance dependency or abuse are encouraged to discuss these matters with their supervisor, Human Resources Representative or the President to receive assistance or referrals to appropriate resources in the community.

Employees with drug or alcohol problems that have not resulted in, and are not the immediate subject of, disciplinary action may participate in a rehabilitation or treatment program through Fox-1's health insurance benefit coverage.

Employees with questions on this policy or issues related to drug or alcohol use in the workplace should raise their concerns with their supervisor, Human Resources Representative or the President without fear of reprisal.

If requested by a client of Fox-1, the company may drug test applicants to whom an offer of employment has been extended or current Fox-1 employees. A positive drug or alcohol test will result in the candidate being excluded from employment. Employees in safety sensitive positions may be requested to undergo testing on a random selection basis. An employee may be requested to undergo immediate testing if the company has a reasonable suspicion that the employee: (1) is under the influence of drugs or alcohol, (2) has sustained a work related personal injury, or caused another employee to sustain a personal injury. A current employee who tests positive for illegal drugs or being under the influence of alcohol at work may be referred for alcohol or drug chemical dependency screening. Continued employment may depend on participation in prescribed programs to assist the employee in making lifestyle changes.

## Sexual and Other Unlawful Harassment

Effective Date: 2/7/05

Fox-1 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, or any other legally protected characteristic will not be tolerated.

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 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.

Sexual harassment and offensive behavior is taken very seriously by Fox-1. Another type of harassment that will not be tolerated is same-sex harassment which occurs when a person perpetrates offensive behavior against someone of the same gender. If you experience or witness any type of sexual or other unlawful harassment in the workplace, report it immediately to your supervisor. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact the President, Brent Bartsch, Human Resources Representative, Kristen Bartsch, Director, John Knopf, or any other member of management. Employees can raise concerns and make reports without fear of reprisal or retaliation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, confidentiality of any witnesses and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of the investigation. Possible remedies include disciplinary action, apology, termination, and other.

Any supervisor who becomes aware of possible sexual or other unlawful harassment must immediately advise the Human Resources Representative, Kristen Bartsch, or President, Brent Bartsch, or Director, John Knopf, so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

## **Attendance and Punctuality**

Effective Date: 2/24/99

To maintain a safe and productive work environment, Fox-1 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 Fox-1. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor at least one hour before the start of the work shift.

Poor attendance and excessive tardiness are disruptive to the daily work schedule at Fox-1. Either may lead to disciplinary action, up to and including termination of employment.

## **Personal Appearance**

Effective Date: 2/24/99

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image Fox-1 presents to the community.

During business hours or when representing Fox-1, 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 department head is responsible for establishing a reasonable dress code appropriate to the job you perform. Consult your supervisor if you have questions as to what constitutes appropriate appearance. Additionally, some employees assigned to client sites may be required to comply with clients' standards of grooming as a condition of employment.

## **Return of Property**

Effective Date: 2/24/99

Employees are responsible for all Fox-1 property, materials, or written information issued to them or in their possession or control. All Fox-1 property must be returned by employees on or before their last day of work. Where permitted by applicable laws, Fox-1 may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. Fox-1 may also take all action deemed appropriate to recover or protect its property.

## **Resignation**

Effective Date: 2/24/99

Resignation is a voluntary act initiated by the employee to terminate employment with Fox-1. Although advance notice is not required, Fox-1 requests the business courtesy of at least two weeks' written notice of resignation from nonexempt employees and two weeks' notice from exempt employees.

Prior to an employee's departure, an exit interview may be scheduled to discuss the reasons for resignation and the effect of the resignation on benefits.

## **Security Inspections**

Effective Date: 2/24/99

Fox-1 wishes to maintain a work environment that is free of illegal drugs, alcohol, firearms, explosives, or other improper materials. To this end, Fox-1 prohibits the possession, transfer, sale, or use of such materials on its premises. Fox-1 requires the cooperation of all employees in administering this policy. Desks, lockers, and other storage devices may be provided for the convenience of employees but remain the sole property of Fox-1. Accordingly, they, as well as any articles found within them, can be inspected by any agent or representative of Fox-1 at any time, either with or without prior notice.

Fox-1 likewise wishes to discourage theft or unauthorized possession of the property of employees, Fox-1, visitors, and customers. To facilitate enforcement of this policy, Fox-1 or its representative may inspect not only desks and lockers but also persons entering or leaving the premises and any packages or other belongings. Any employee who wishes to avoid inspection of any articles or materials should not bring such items onto Fox-1's premises.

# Confidential and Personal Information

Effective Date: 10/31/03

Revision Date: 7/23/04

While employed by Fox-1 employees will be exposed to information and materials that are confidential, proprietary, and of vital importance to the economic well-being of the company. Employees must not at any time disclose or use, either during or subsequent to employment, any information, knowledge, or data which is received or developed during employment which is considered proprietary by Fox-1, Inc. or Fox-1's customers, or which relates to the trade secrets of Fox-1, Inc or Fox-1's customers. Such information, knowledge or data includes the following which is by example only: processes, know-how, designs, drawings, diagrams, formulas, test data, accounting or financial data, pricing or salary data, marketing data, business plans and strategies, negotiations and contracts, research, customer or vendor lists, inventions, and discoveries ['trade secrets'].

Upon termination of employment with Fox-1, Inc., employees shall promptly return any and all documents containing the above information, knowledge or data, or relating thereto, to Fox-1, Inc. or Fox-1 customers. Compliance with the confidentiality policy is a condition of continued employment. Any breach of company or client confidentiality will result in disciplinary action up to and including termination of employment. Additionally, any employee who chooses to breach Fox-1's confidentiality may be subject to legal action.

Fox-1 pledges to conduct all business in good faith and in a highly ethical manner. Fox-1 will not release any personal or confidential information about current or former employees to any person or entity outside the organization unless we are in receipt of a signed release form or there is a legal court-mandated necessity for information. When requested by a former employee, our company will provide a work reference that consists of dates of service and position held; no subjective performance-related information may be released without a written consent signed by the former employee. Confidential personal information contained in medical enrollment or other company forms will be filed in a confidential file accessible only to human resources or office personnel who have a specific need for that information.

In the same vein, we expect all Fox-1 employees to conduct themselves in a highly professional manner. Specifically, our companies request that, due to the confidentiality of compensation, Fox-1 employees not discuss or divulge their own wages or benefits to other Fox-1 employees, employees at a Fox-1 client company, or other persons outside the organization. Such discussion should be reserved for meetings with the employee's direct supervisor or Fox-1 human resources staff. Informal discussion with co-workers that centers on wage and benefit comparison is nonproductive and may cause dissention. Such casual, nonproductive conversations are discouraged and may result in disciplinary action up to and including termination.

# MEDICAL/DENTAL

Benefit	Eligibility Starts	Regular Full-time	Regular Part-Time	Part-Time	Temporary Employee
		32+ hrs/wk	24-31 hrs/wk	23 or less hrs/wk	Assignment less than 6 months & more than 23 hrs/wk
<b>Limited-benefit Medical Health Plan</b> - Doctor visits as low as \$15 - Prescription Drug Program - See plan overview for details. Fox-1 offers three medical plans through Cigna.	1 <sup>st</sup> of the month after 60-day waiting period.	†			
<b>Dental Insurance**</b> - 100% preventative and diagnostic care are available at the start. - Basic and major care coverage after six months. Deductible of \$50.	1 <sup>st</sup> of the month after 60-day waiting period.	†			
<b>Voluntary Insurance</b> - Life, Disability and other voluntary insurance can be purchased through Aflac.	See Aflac agent	†			
<b>Paid Time Off (PTO)</b> Your traditional vacation and sick time are rolled into one program called PTO. For each 1000 hours you work, you receive 2.5 days of paid time off. See notes below.	After 6 months of service.	†	† <i>Paid for average # of hours worked</i>		
<b>Holidays</b> New Years Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day and Christmas Day.	After 6 months of service.	†	† <i>Paid for average # of hours worked</i>		
<b>401(k)**</b> Fox-1 offers employees the chance to save money for retirement on a pre-tax basis. Discretionary profit sharing.	After 90 calendar days of service. Must be 21 years old to participate.	†	†	†	

- PTO: At the end of the calendar year, up to 20 hours of unused accrued PTO will carry over. PTO is not paid out to any terminating employee. See PTO section in handbook for more detailed information.
- MEDICAL and DENTAL INSURANCE NOTE: If employment ends, Fox-1 reserves the right to collect premiums owed through the end of the month from the final paycheck.
- SUPPLEMENTAL BENEFITS:
  - There are a variety of voluntary insurance policies (i.e., dental, disability, accident, cancer) that can be purchased. See the Fox-1 Human Resources Representative to discuss voluntary benefits.
  - Most insurance policies are eligible for pre-taxing through our flexible benefits plan, (FSA) which means that the premiums are deducted from your gross pay before taxes.

\*\* See plan documents for detailed benefit information. All benefits subject to periodic changes without prior notice.



## BENEFITS

### Contact Information

Primary Contact for Fox-1 on Medical and Dental Insurance:

Mr. Tony Pavelka

RJF Agencies, Inc.

p 763-746-8225

c 952-994-8084

	Medical	Dental	Supplemental Benefits
<b>Company:</b>	Cigna Voluntary	Delta Dental	AFLAC
Website	<a href="http://www.starbridge.com">www.starbridge.com</a>	<a href="http://www.deltadental.com">www.deltadental.com</a>	<a href="http://www.aflac.com">www.aflac.com</a> marlaf1@hickorytech.net
<b>Contact Information:</b>	Customer Service 1-800-308-5948		Marla Feikema
Address			206 Dillon Ave.
City, State, Zip			Mankato, MN 56001
Phone		651-406-5916	507-625-8753
Fax			507-625-8453
<b>Group Number</b>	Fox-1 Group 3889	004801-0061	
<b>Billing Number</b>			

	401(k)	Section 125		Fox-1 Employee Representative
<b>Company:</b>	Principal Financial Group	AFLAC		Fox-1 Drafting & Design, Fox-1 Resources, Inc.
Website	<a href="http://www.principal.com">www.principal.com</a>	<a href="http://www.aflac.com">www.aflac.com</a>		kristenb@fox-1.com
<b>Contact Information:</b>	Mark Sanda Mark.Sanda@principal.com	Marla Feikema marlaf1@hickorytech.net		Kristen Bartsch
Address	11100 Wayzata Blvd., Ste. 161	206 Dillon Ave. MN 56001	Mankato,	4155 Old Sibley Memorial Hwy.
City, State, Zip	Minnetonka, MN 55305			Eagan, MN 55122
Phone	952-277-4283	507-625-8753		651-894-3990
Fax	952-277-4301	507-625-8453		651-894-0016
<b>Group Number</b>	Individual account numbers	N/A		
<b>Billing Number</b>				