

# KCTX Employee Handbook

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## Introduction

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Welcome to Kent Companies, the *Leaders in Concrete*. Our founder John VanderLaan always said, “*You’ve got to put your people first.*” It was true in 1957, and it is still true today. At Kent Companies, we are in the people business. We know that the success of our Company depends on the success of our people every single day. You are at the forefront of every decision made at Kent Companies.

This handbook serves as an overview to Kent Companies procedures and as a guide to what is expected of you as an employee. Kent Companies has a 100% open door policy. We welcome your ideas. We value employee feedback and suggestions. If you have questions about the policies and procedures in this handbook, please ask.

## Mission

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- Investing in the success of our people, our customers and our community.

## The Merit Shop Philosophy

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Kent Companies is a merit shop. We believe that every member of our organization should be treated as an individual. The merit shop philosophy gives you unlimited opportunity for professional development and achievement. We will provide education and training to develop your talents whenever possible. You reap the rewards of your accomplishments.

**The Four Hallmarks** Kent Companies embodies a “*Make it Happen*” culture. We’re results-oriented, and we embrace *Four Hallmarks* of our work on a daily basis:

- **Safety:** We embrace a 100% hard hat, safety glasses and safety vest culture on every project site. Our priority is to ensure that everyone returns home safely every day.
- **Productivity:** We are pace setters, and we drive the schedule. We strive to be the most productive contractor on site.
- **Quality:** Simply stated, our work looks good. We’re accountable to our customers for delivering concrete related work that exceeds expectations.
- **Customer Service:** We understand our customer’s needs and expectations, and we make them our priority. We are our customer’s problem solver and partner.

## RED

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RED stands for Company and team values. It promotes the Kent Companies brand both visually and in character.

As an organization, Kent Companies embodies the values of Responsibility, Expertise and Determination to our customers, employees and communities every day.

Kent Companies team members work to be responsible, to be an expert in their unique role and to offer complete determination in all they do. RED uniquely signifies Kent Companies and is unmistakable in the marketplace. As we self-inspect our own work, we consistently ask, “*Is it RED?*”

#### *Responsibility*

- We are 100% safe on the jobsite every day.
- We are a family.
- We watch out for our team members.
- We are proactive and speak up to prevent mistakes.
- We are accountable to each other and to the customer.
- We perform our work to the best of our ability.
- We deliver on our promises.

#### *Expertise*

- We are a world-class team.
- We embrace the Four Hallmarks in our daily work.
- We leverage both new technology and proven experience.
- We understand our customers and their expectations.
- We pursue continuing education.
- We master our skills.

#### *Determination*

- We Make it Happen.
- We innovate.
- We are pace-setters and problem-solvers.
- We do whatever it takes to get the job done.
- We work 480 minutes for 8 hours of pay.
- We have an infectious positive outlook.

### **Kent Companies History**

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John VanderLaan founded Kent Concrete in Grand Rapids, Michigan in 1957. Kent Concrete specialized in pouring residential flatwork. In the late 1970's, John's sons Al and Roger assumed leadership of the Company. As the Company grew, it diversified services to include concrete pumping, floor underlayments, concrete polishing and staining, facility services, mudjacking, foundation restoration, excavation and masonry. Innovation and leading project management became Kent's trademark on the job.

In the late 1990's, Kent Concrete became Kent Companies to reflect the full range of services offered to its breadth of commercial clients. Kent Companies expanded to Detroit, Lansing and

Traverse City, Michigan as well as Elkhart, Indiana to better serve clients throughout the region. In 2000, Kent Companies acquired what is now Kent Companies, Texas, in Dallas, Texas. Kent Companies Texas serves clients throughout the United States' southern tier, including Louisiana, Arkansas, Oklahoma and Missouri.

In 2008 and 2011, Kent Companies added offices in Charlotte, North Carolina and Central Ohio to provide concrete construction services to an increasingly national customer base. Third-generation Company leadership began in 2009 as Al's son Jeff and Roger's sons Chris and Matt took ownership of Kent Companies.

Today, Kent Companies is building for future generations. The Company continues to grow and diversify with additional construction-related services.

### **Kent Companies Operating Divisions**

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Kent Companies has several separate specialty divisions that are managed by various vice presidents and division managers. For the commercial work that we perform, we are known simply as "Kent Companies". Our commercial specialties, which are accounted for by separate divisions, include:

- Concrete Construction
- Concrete Pumping
- Site Concrete
- Lightweight Underlayments
- Foundation Stabilization
- Facilities Services
- Building Restoration & Waterproofing
- Construction Supply

### **Handbook Purpose**

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Kent Companies has provided you with this Employee Handbook to enhance communication between Kent Companies and you as a member of our team. In this Employee Handbook, we've done our best to anticipate our employees' most common questions and answer them in a straight-forward manner so you can better understand Kent Companies' expectations of you as an employee, and so you can learn more about the way we do business. But no single document can anticipate every circumstance or question about policy. So please interpret this Handbook as a "snapshot summary" of current policies, procedures, benefits, etc., which are subject to change by Kent Companies.

We also want to clarify some terms you might encounter as you're reading through the Employee Handbook. When we use the term "Handbook," we're referring to this document – the Employee Handbook. References to "the Company" or to "us" or "our" refer to your employer Kent Companies. The term "Agreement and Acknowledgement of Receipt" refers to the Employee's Agreement and Acknowledgement of Receipt, which you can find on the last

page of this Handbook and which the Company will require you to read, review, and sign after you've been able to take a look at this revised version of the Handbook.

These provisions supersede all current or former policies and practices dealing with the same subject matter or conflicting in any way with these provisions. Nothing in this handbook should be construed as limiting in any way the right of Kent Companies to establish, change, or eliminate terms and conditions of employment, policies, or procedures. Kent Companies will give employees oral or written notice of changes in policies, procedures, benefits, etc. Upon reprinting, changes will be incorporated in a revised handbook. Any questions about the handbook or what it means should be directed to a supervisor or the HR Director.

Kent Companies has an at-will relationship with its employees. You as an employee are free to terminate your employment with the company with or without cause and with or without notice. Likewise, the Company retains a similar right to terminate the employment of any employee with or without cause and with or without notice. Any statements regarding discipline shall not alter the company's ability to terminate employment with or without cause and with or without notice.

This Handbook (with the exception of the Acknowledgement and Agreement page) is not intended to create, nor should it be construed to constitute, a contract between the Company and any of its employees for either employment or the providing of any benefit. Should any provision in this Handbook be found to be unenforceable and invalid, such a finding does not invalidate the Handbook, but only the subject provision. Nothing in this Handbook is intended to infringe upon any employee rights.

## Compensation

### Employment Categories

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It is our intent to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. Every employee at Kent Companies will be classified as either "exempt" or "non-exempt;" and separately as "regular full-time" or "regular part-time." Your exemption status depends on many different factors related to the job you perform for us at Kent Companies. Your full-time/part-time status depends on the regularity with which you work for the Company.

**Exempt employees** are (i) paid on a weekly, salaried basis; and (ii) perform certain job functions for the Company which render them exempt from overtime under applicable provisions of federal and state laws. Exempt employees may not, for example, be required to regularly record their hours (i.e. they may not "punch in" or "punch out" from work each day), but they are still required to report absences and uses of PTO/sick time or leave as otherwise required by the Company's policies. An exempt employee may also be required to notify his or her supervisor if he or she works hours during a particular workweek which are different from his or her regular hours. It is our policy to make deductions from employee wages as allowed by the

Fair Labor Standards Act. Employees with questions about wage deductions should bring their concerns to the CFO, who will, in turn reimburse the employee for any improper deductions.

**Non-exempt employees** are entitled to overtime pay under the specific provisions of federal and state laws. They are usually paid on an hourly basis, and receive overtime pay equal to 1 and ½ times his or her regular hourly wage rate for all hours worked in excess of 40 hours within any particular workweek. Please see the separate Overtime section of this Handbook for more information.

An employee's Exempt or Non-Exempt classification may be changed only upon written notification by Kent Companies management.

**Regular full-time** employees are those who are regularly scheduled to work 30 or more hours per week. Generally, they are eligible for the company's benefit package, subject to the terms, conditions, and limitations of each benefit program and as described in this Handbook.

**Regular part-time** employees are those who are regularly scheduled to work 30 hours or less per week. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they are (usually) ineligible for all the Company's other benefit programs.

## **General Pay Information**

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The law requires that we make certain deductions from every employee's compensation. Among these are applicable federal, state, and local income taxes. We also must deduct Social Security taxes on each employee's earnings up to a specified limit that is called the Social Security "wage base." The Company (as required by law) also must pay a matching employer portion towards Social Security taxes. Additionally, the Company may be required to deduct certain amounts from your regular paycheck if your wages are subject to an income withholding order or garnishment order from a court of competent jurisdiction.

We offer programs and benefits beyond those required by law. Eligible employees may voluntarily authorize deductions from their paychecks to cover the costs of participation in these programs.

If you have questions concerning why deductions were made from your paycheck or how they were calculated, the accounting team can assist in having your questions answered.

## **Payroll**

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Kent Companies uses one-week pay periods, which run from Sunday through Saturday. You will be paid for the work you perform in any pay period on the Friday of the week after that period, and each paycheck will include earnings for all work performed through the end of the previous payroll period. No compensation will be distributed until that Friday – pay advances and other form of credit wages are not available. Time for employees will start on the job and

finish on the job, unless otherwise authorized by the foreman such as loading time at the yard. This time should be listed separately under individual work codes.

Accurately recording time is the responsibility of employees and/or foreman/superintendents, dependent on the division they work for. Employees and/or foreman (dependent on division) are responsible to input their time daily into the ExakTime. Failure to submit your hours via ExakTime may result in you not receiving all compensation to which you would otherwise be due. If you discover some discrepancy between time worked and time compensated, you are responsible to bring this exception to the attention of your foreman or superintendent as soon as possible.

Altering, falsifying, tampering with time records, or recording time on another employee's time record is not permitted. Employees who violate this rule may be subject to disciplinary action, up to and including termination of employment.

## **Overtime**

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Working in our industry sometimes means that you may, on occasion, be required to work more than 40 hours in any workweek. When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours by their supervisors, foremen, or superintendents. When possible, your supervisor will provide you with advance notification of these mandatory assignments. All overtime work must receive the supervisor's prior authorization – employees who perform unauthorized overtime work may be subject to disciplinary action.

Overtime compensation is paid to all nonexempt employees as required under all applicable federal and state wage and hour laws. Overtime pay is based on actual hours actually worked in excess of forty (40) hours in a workweek, which means that you cannot use PTO or any other form of paid leave to "push you over" the 40-hour threshold in a week.

Non-exempt employees will be paid one and one-half (1½) times the regular rate of pay for all hours actually worked in excess of forty (40) hours in a work week. During weeks where different kinds of work may occur that result in different pay rates, overtime will be paid at a rate not less than 1.5 times the established, bona fide, straight-time hourly rate applying to each different kind of work that is being performed during the hours worked over 40 in the workweek.

Failure to work assigned overtime may result in disciplinary action, up to and including possible termination of employment. There will be no "pyramiding" or duplication of premium pay. In other words, an hour of work can only count once for computing premium pay.

## **Travel Reimbursement Policy**

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Travel reimbursement will be determined based on each individual job, by the Division Manager.

## **Time Off**

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Please see Human Resources for a detailed overview of the time off policy.

### **Procedures**

Vacation time is given up front, once an employee has completed the eligibility period.

All employees (beginning from date of eligibility) that work less than 1900 hours in any given year will receive vacation pay according to the following formula:

$$\frac{\text{Number of hours worked}}{1900 \text{ hours}} \times \text{Earned vacation hours}$$

It is highly recommended that all PTO be preapproved by and prescheduled with the employee's supervisor and may be taken in hourly increments. Approval for all scheduled time away is subject to the needs of the division in which the employee works, and a 30-day notice is required for time is appreciated. We understand that emergencies can happen, so in these cases employees will be allowed to take unscheduled PTO with less than 24 hours' notice and regardless of applicable workload.

Because of the seasonal nature of our industry, employees with multiple weeks of vacation should take no more than one week off during the summer months (May 1-September 30).

### **Sick Leave**

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The Company will provide sick leave as required by local or state law.

### **Bereavement**

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Kent Companies believes employees should have the necessary time needed to grieve the loss of a loved one. Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. An employee may, with his or her supervisor's approval, use any available vacation for additional time off as necessary.

Paid bereavement leave will be granted according to the following schedule:

- Employees are allowed up to three consecutive days off from regularly scheduled duty with regular pay in the event of the death of the employee's spouse, child, father, father-in-law, mother, mother-in-law, son-in-law, daughter-in-law, brother, sister, stepfather, stepmother, stepbrother, stepsister, stepson or stepdaughter.
- Employees are allowed one day off from regular scheduled duty with regular pay in the event of death of the employee's brother-in-law, sister-in-law, grandparent, grandchild or spouse's grandparent.
- It is at the managers' discretion to allow time as needed for additional losses, and any exceptions to the above granted time must be approved by executive management.

### **Jury Duty and Court Appearances**

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Employees who are summoned to serve jury duty on scheduled workdays may use accumulated vacation time on the day that they are called to serve. Employees should show the summons notice to their supervisor in order to be excused from work on that day.

Any employee summoned to be in a legal proceeding for any other reason shall show the summons notice or subpoena to their supervisor and request the time off with as much notice as possible. Employees may use vacation pay for this purpose.

Of course, employees are expected to report for work whenever the court schedule permits.

## **Voting Leave Policy**

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If you do not have at least two hours to vote before or after work, please see your manager about altering your work schedule to allow for time off to vote. You must request this time at least one day in advance so that appropriate arrangements can be made.

You will not be penalized for taking time off to vote if you need to take voting leave.

## **Holiday Pay**

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Eight hours of pay will be paid to all Kent Companies, full-time salaried employees who meet the following criteria:

- Worked a full day on the last regular working day before the holiday.
- Has worked a full day on the first regular working day after the holiday.

The following are paid holidays recognized by the Company:

New Year's Day	Labor Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

Employees may also take unpaid time off to observe other religious holidays. You must notify your supervisor or manager one week before the desired day off.

## **Benefits**

The Company sponsors and offers several different benefits for certain eligible employees. Benefits may be added, expanded, reduced, deleted or otherwise modified by the Company at our sole discretion.

A summary of available benefits is provided in the Company's benefit summary documentation. For health and welfare employee benefit plans covered by applicable federal law, such plans will also be described in detail in the applicable plan documents, and the accompanying Summary Plan Descriptions. Please refer to those documents for information on each of these benefits, including eligibility requirements, enrollment, coverage and exclusions. For any health, welfare, or other benefit program that is covered by an insurance policy or plan document, the terms of the policy or plan document will control over any description of that plan in this Handbook.

## **Health Insurance**

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Health insurance benefits are available to all eligible full-time employees after 90 days of employment. Group health insurance for dependents is available for an additional charge.

## **Benefits Continuation (COBRA)**

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The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under Kent Companies' 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 Kent Companies' group rates plus an administration fee. Kent Companies provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under Kent Companies' health insurance plan. The notice contains important information about the employee's rights and obligations.

The covered employee or a family member is responsible for notifying Human Resources of a divorce, legal separation, or a child losing dependent status within 60 days of the loss of coverage due to the event. Failure to notify the Human Resources within 60 days will eliminate any rights to COBRA continuation. The employer/plan administrator will accept written notification only.

## **Profit Sharing and 401(k) Retirement Plan**

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In keeping with the merit shop philosophy, all eligible employees of Kent Companies will receive a portion of the profits they help to generate each year. At the end of each fiscal year, the Board of Directors will examine the Company's financial statements and determine how much of the Company's profits, if any, will be contributed to this plan. This contribution will then be allocated to the eligible employees' accounts based on the ratio of the employee's wages to the total wages of all participants.

Kent Companies has established a 401(k) savings plan to provide employees the potential for future financial security for retirement. The 401(k) savings plan is the portion of this benefit that allows employees to make additional deposits into their accounts and take advantage of some significant tax breaks.

Employees become eligible to participate in this plan on the next enrollment date after they have worked at least 1,000 hours during a consecutive twelve-month period. Enrollment dates are June 1 and December 1 of each year. Summary plan descriptions will be distributed to employees when they become eligible or upon request.

## **Workers' Compensation Insurance**

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We provide 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. Employees may report all injuries and accidents without fear of retaliation.

## **Tuition Reimbursement**

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We encourage employees to grow and develop their skills through continuing education. If there is a training course you would like to pursue, discuss it with your supervisor or a manager. If your course is approved in advance in writing, Kent Companies will reimburse you for the tuition, provided that you meet the following eligibility criteria:

- The employee must be employed by Kent Companies for a full year before beginning the class.
- Courses must be pertinent to the employees' position and approved by the office in advance.
- A minimum of a "B" or satisfactory grade must be achieved.
- A copy of the tuition receipt and grade transcript must be submitted to the office when applying for reimbursement.

Occasionally, Kent Companies may pay in advance for certain educational classes, like the "ABC Apprenticeship" program. If you fail to complete the course, fail to receive a satisfactory grade, or are not employed at Kent Companies at the end of the course, you will be expected to reimburse Kent Companies for the tuition.

## **ECHO (Employee Confidential Hotline Option)**

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With a free call you can report problems or suggestions and no one will know who you are. The information you provide is passed along (echoed) to the management. The operators who handle your call will only relay information you want them to reveal. You do not even have to give your name to the operator. The ECHO Hotline toll free number is **1-888-440-ECHO (3246)**.

# **Policies**

## **Policy Enforcement**

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Company policies as defined in this book are to be followed by all employees. Failure to do so may result in verbal and/or written reprimand or more severe corrective action including time off without pay or dismissal, at the Company's discretion.

## **Corrective Action**

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Although your employment is at-will (either party may terminate the employment relationship at any time with or without cause or notice), violation of any policies and procedures of this handbook may result in corrective action. When performance problems occur, the usual steps of corrective action undertaken **may** be coaching, verbal warning, written warning, and ultimately, termination of employment. These are guidelines and we may, at our discretion, skip any and all

steps in the corrective action system or decide not to use the corrective action system at all. Furthermore, if you engage in misconduct deemed to be serious enough by the Company we may, in our sole discretion, subject you to immediate termination without the administration of other, less severe corrective action. We also reserve the right to address any offense not specifically enumerated in this handbook in a manner commensurate with the seriousness of the offense.

## **Safety Policies**

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Kent Companies is committed to provide the most favorable condition or conditions for employee safety and health; in keeping with sound business practice and the requirements of the 1970 Occupational Safety and Health Act, as amended.

It is the policy of this Company to assure, so far as possible, that every employee has a safe and healthful place in which to work. It is also the policy of the Company to help each employee recognize his responsibilities to safe employment and require that he accept these responsibilities and work accordingly.

All new employees are required to view a safety video and introduction to Company video during their orientation. The detailed safety policy is available for review upon request by any employee. All employees will be furnished with a summary safety manual (Basic Safety Rules for Construction).

## **Injury Reporting**

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You will receive a copy of the Company Standard Operating Procedures on your first day of employment. These procedures outline the proper method in which you should handle injury reporting. Any questions can be directed to Carlson Greenlee at 214-309-6456.

## **Asset and Material Disposal Policy**

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All materials, tools, and equipment owned by Kent Companies may not be disposed of or used for any other purpose other than the pursuit of Company business as provided by this policy. This policy also applies to unused or left-over materials, tools, and equipment, as well as obsolete or “junk” materials, tools, and equipment. The following rules are in effect throughout all Kent Companies offices.

1. All worn out or broken equipment and tools will be returned to the location where they are stored when not in use.
2. All excess construction materials on jobsites that can be reused, repurposed, or recycled will be returned in an organized fashion to the shop. This includes plywood, resteel, vapor barrier, expansion joint, cures, form release, polishing diamonds, chemicals, and formwork.
3. Any deviation from the above rules can only be waived by the following individuals
  - a. KCI – Grand Rapids: Chris Fennema
  - b. KCI – Ohio: Josh McKenzie
  - c. KCI – Detroit: Dave Schoonbeck
  - d. KCSE: Dave Schoonbeck
  - e. KC Texas: Lance Ross or Angel Alvarez

4. Any employees that deviate from this policy face disciplinary action up to and including dismissal.

### **Safety Glasses Policy**

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All Kent Companies' employees are required to wear safety glasses that meet ANSI (Z87.1) Standards while on Kent Companies' job sites and while at any Kent Companies' yard or shop.

All employees will be issued clear safety glasses. If through normal usage, they become scratched or damaged they must be turned into their superintendent who will provide a new pair at no charge. Safety glasses that are abused or lost will be replaced and the employee will be charged a nominal fee.

Employees who need reading glasses will be provided with safety glasses that have insert lens built in (like bi-focals) for reading in various di-optor strengths.

Employees who need prescription eye glasses to safely function on the job site, have the following two options:

1. The Company will provide them with a pair of oversize safety glasses designed to be worn over their prescription glasses.
2. The Company will provide the employee with a voucher to RX Optical for a pair of single vision safety glasses complete with approved side shields. Employees can then select either the frames available in that price range or upgrade them at their own expense. The employee is responsible for bringing in a copy of his current eye glasses' prescription. The employee pays for any additional upgrades or bifocals. Employees are responsible for maintaining their glasses. Kent Companies will provide for replacement glasses once every two years. The employee covers the cost of replacements prior to the expiration of the two year period.

### **Nature of Employment**

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Employment with Kent Companies is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, we 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 the Company 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 the Company'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 CEO of Kent Companies.

### **Attendance and Punctuality**

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To maintain a safe and productive work environment, we expect employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on the Company. 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. Employees that fail to notify their supervisor and do not come to work as scheduled are considered a no-show, no-call. Employees that have three consecutive no-call, no-shows will be considered to have resigned from their position.

Poor attendance and excessive tardiness are disruptive. Either may lead to corrective action per the Company policy.

### **Employment Eligibility**

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The Company is committed to complying with the Immigration Reform and Control Act of 1986 and its implementing regulations. In that regard, all employment offers are contingent upon verification of identity and authorization to work in the United States. Within three business days of starting employment, an employee is required by law to submit to Human Resources appropriate documents verifying identity and the legal right to work in the United States or a receipt of application for the applicable documents. Failure to provide the necessary documents will disqualify the individual from further employment.

Each employee is accountable for their immigration and employment status. Any employee whose work authorization is subject to expiration is required to renew any authorization documents before their expiration; failure to do so will result in the employee's termination of employment.

Use of fraudulent identification to establish identity and/or employment eligibility is not permitted. Human Resources representatives or other employees authorized to complete Section 2 for the Company are NOT permitted to accept documents which they know are fraudulent. The Company will not tolerate violations of the Company's immigration policy. Violation of this immigration Company policy will result in immediate termination.

Employees may raise questions or complaints about immigration law compliance without fear of reprisal. You may contact a human resources manager or any manager of the Company.

### **Equal Employment Opportunity Policy**

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Kent Companies is an equal opportunity employer and complies with all federal and state laws prohibiting discrimination. It is Kent Companies' policy that no person, on the basis of race, sex, sexual orientation, gender identity, color, religion, national origin, ancestry, age, familial or marital status, disability, veteran status, height, weight, genetic information, pregnancy, childbirth or related medical conditions, or other factors prohibited by law shall be discriminated against in employment. Kent Companies will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship.

The Company will strive to ensure that all employees and prospective employees will be treated equally in regards to recruitment, employment, promotions, demotions, discipline, termination, access to benefits and training, and layoffs. The Company will further ensure that its management staff is aware of the Company's commitment to this policy and each member understands their individual role in the process of administering this plan.

Any employee, or prospective employee, should feel free to address any concern regarding discriminatory action to any corporate officer without fear of reprisal. Anyone engaging in any type of unlawful discrimination shall be subject to disciplinary action, up to and including termination of employment.

## **Personal Status**

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It is the responsibility of each employee to promptly notify Kent Companies of any changes in personnel data. Phone numbers, mailing addresses, marital status, number and names of dependents, income tax exemptions, individuals to be contacted in the event of an emergency, or any other status updates should be kept accurate and current at all times. Just contact the office with any updates.

## **Problem Resolution**

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We expect all employees to be treated fairly and properly paid. If you are dissatisfied for any reason, you are encouraged to bring concerns or complaints about work-related situations to the attention of your supervisor/division manager, or executive management if related directly to your direct supervisor. Every effort will be made to resolve problems fairly, equitably, and promptly.

## **Social Security Number Privacy**

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Kent Companies will ensure to the extent practicable the confidentiality of social security numbers held by the Company. Social security numbers will not be disclosed to those outside of the Company, except as authorized by the Social Security Number Privacy Act. Access to information or documents that contain social security numbers will be limited to those requiring access for legitimate business reasons.

Social security numbers may be used in the ordinary course of business. No more than four sequential digits of a social security number will be publicly displayed, used as an account number, password, or identifier, or included in or on any document sent outside the Company unless applicable law requires, permits, or authorizes that the social security number appear in the document. Documents that are no longer needed that contain social security numbers must be shredded. Under no circumstances should any document with all or any portion of a social security number be disposed of without first being shredded.

Violation of this policy may result in discipline, up to and including dismissal. Employees who violate the Social Security Number Privacy Act also may be subject to fines and imprisonment.

## **Gift Policy**

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Kent Companies strives to maintain high standards of ethical conduct when dealing with business associates, vendors, potential vendors and customers. This policy will provide guidance to employees when receiving or accepting gifts on behalf of the Company.

### **Gifts, Favors, and Payments by the Company**

Gifts, favors, and payments may be given in the course or as consequence of association with the Company, if they meet all of the following criteria:

- They are consistent with accepted business practices.
- They are of sufficiently limited value and in a form that will not be construed as a bribe or payoff.
- They are not in violation of applicable law and generally accepted ethical standards.
- Public disclosure of the facts will not embarrass the Company.

Payments, commissions or other compensation to or for the benefit of associates of customers (or their family members or associates) are contrary to this and other Company policies.

### **Job Accommodations**

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Kent Companies is committed to providing equal employment opportunity for qualified individuals with disabilities. Neither state nor federal law alters the Company's right to hire the best-qualified applicant for each job position, but the Company nevertheless prohibits discrimination of any kind against qualified employees or applicants with disabilities or who are perceived to have a disability.

A reasonable accommodation is any change in the work environment (or in the way things are usually done) to help a person with a disability apply for a job, perform the duties of a job, or enjoy the benefits and privileges of employment. The Company will provide reasonable accommodations for a qualified individual's disability where the accommodation permits the employee to perform the essential functions of his or her job.

If you believe you require an accommodation, you should notify your direct supervisor or any other member of management at the Company about how your disability prevents or impairs your ability to perform the essential functions of your job. Requests should be made in writing and should be made as early as possible. Michigan law requires employees to notify the Company in writing of the need for accommodation within 182 days of the date the employee knows or should know that an accommodation is needed. Failure to properly notify the Company may preclude any claim that the Company failed to accommodate your request. Upon request for an accommodation, the Company may ask for information from your health care provider regarding the nature of your disability and the nature of your limitations or take other steps necessary to help us determine viable options for reasonable accommodation. We will then work with you to determine whether your disability can be reasonably accommodated, and if it can be accommodated, we will explore alternatives with you and endeavor to implement a mutually agreeable accommodation. The Company will discuss disability challenges brought to its attention and seek to find reasonable accommodations. Each request for an accommodation will be evaluated based on the individual requesting employee's job responsibilities and circumstances. The Company may decline to make an accommodation where it would be unreasonable, would present a direct threat to health and safety of the

requesting employee or to others, or where it would impose an undue hardship on the Company or to other employees. Please note that according to the ADA, the Company does not have to provide the exact accommodation you want, and if more than one accommodation works, we may choose which one to provide.

The Company is also committed to providing equal employment opportunities for qualified individuals of all religions and faiths. The Company does not discriminate on the basis of any applicant or employee's religious practices. On occasion, certain employees' religious practices may arguably require the enjoyment of certain religious accommodations at work, such as (but not limited to) wearing a head covering, praying, or taking certain days off. The Company recognizes the unique nature of religion and allows reasonable accommodation for employee religious beliefs, provided that such religious accommodations do not create an undue hardship for the Company, its employees, or its customers and clients.

### **Gifts, Favors, Entertainment and Payments Received by Company Employees**

Employees shall not seek or accept for themselves or others any gifts, favors, entertainment, payments without a legitimate business purpose nor shall they seek or accept personal loans (other than conventional loans at market rates from lending institutions) from any persons or business organizations that do or seek to do business with the Company. In the application of this policy, employees may accept for themselves and members of their families common courtesies usually associated with customary business practices. These include but are not limited to:

- Lunch and/or dinner with vendors sometimes including spouses as long as the invitation is extended by the vendor.
- Gifts of small value from vendors such as calendars, pens, pads, knives, etc.
- Tickets to events (such as sports, arts, etc.) are acceptable if offered by the vendor and the vendor accompanies the associate to the event. These are not to be solicited and must be approved by the appropriate Company officer.
- Overnight outings are acceptable under the condition that individuals from either other companies or the vendor are in attendance. The employee must have prior approval from the appropriate Company officer.
- Gifts of perishable items usually given during the holidays such as hams, cookies, nuts, etc., are acceptable.

A strict standard is expected with respect to gifts, services, discounts, entertainment or considerations of any kind from suppliers, vendors, subcontractors, customers or prospective suppliers.

- Outings such as golf, fishing, and hunting are acceptable with prior approval from the appropriate Company official. The vendor must be in attendance.
- Use of vendor's facilities (vacation homes, etc.) by employees or families for personal use is prohibited. In the event the vendor is present for the duration of the visit such a situation is acceptable as long as it is only once per year and for limited duration. The employee must have prior approval from the appropriate Company officer.

- It is never permissible to accept a gift in cash or cash equivalent such as stocks or other forms of marketable securities of any amount.

## **Electronic Device Policy**

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This Policy includes any employee that is assigned an electronic device from Kent Companies, Texas such as an iPhone, iPad, Laptop/Tablet or someone who receives a monthly allowance.

### **Issued Electronic Devices:**

**Eligibility:** Employees eligible for Company-issued electronic devices are General Superintendents, Superintendent, Leadman (Foreman) or any other employee that management authorizes.

**Responsibility:** Any Electronic Device that is assigned to an employee by Kent Companies, Texas is the sole responsibility of said employee. Devices include iPhone, iPad, Laptop/Tablet. This device is to be used for “**COMPANY USE ONLY**” unless otherwise authorized by management. If any Device is found to be used for any other purpose other than Company use the use of that device can be terminated. The employee is also responsible for the care of any Electronic Device assigned to him or her, and if that device is damaged or lost, the employee may be responsible for the cost. Each situation will be handled on a case by case basis with management’s final approval. Any issued electronic devices must be returned to the Company if the employee resigns or is terminated from employment.

### **Phone Allowance:**

**Eligibility:** Employees eligible for a Company phone allowance are General Superintendents, Superintendent, Leadman (Foreman) or any other employee that management authorizes.

**Responsibility:** Employees receiving a monthly phone allowance must retain an active cell phone and must provide their Division Leader and Kent Companies IT Department with their current cell phone number and company e-mail address and immediately notify both parties if the number changes.

## **Electronic Device Usage/Driving Policy**

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Kent Companies issues or pays individual cellular phones/IPads to Company representatives who are required to be in close contact with the Company at all times. While electronic devices are a necessary convenience of the business world, we require that our employees follow the guidelines listed below for their own and others safety.

It is Kent Companies policy that representatives of our organization who are issued a cellular phone/iPad understand the devices are issued for business use. All employees are required to be professional and conscientious at all times when using Company-issued electronic devices. Employees should have no expectation of privacy whatsoever when using Company-owned or Company-issued electronic devices. To prevent against misuse, the Company may monitor, without further notice, employees’ use of Company-owned or Company-issued electronic devices.

Employees are expected to make every effort to not exceed the current contracted allowed minutes. Cellular bills are reviewed when they arrive, and any employee who exceeds their contracted allowed minutes is subject to additional usage review.

### **Driving:**

In order to comply with the new federal regulations for Commercial Motor Vehicle (CMV) drivers banning the use of hand held phones while driving, and to minimize the effects of “Distracted Driving,” the following rules will apply to all Kent Companies’ employees that are:

- Operating a vehicle owned, leased or rented by the Company.
- Operating a personal motor vehicle while conducting Company business.

While operating a motor vehicle, employees are prohibited from using cellular telephones or mobile electronic devices to read or write email or text messages. Employees may not use their hand-held phone to initiate outgoing calls or answer incoming calls while operating any vehicle while performing Company business.

Employees are prohibited from making or receiving calls on their hand-held phone unless they are using a hands-free device. Hands-free devices must be capable of answering a call by touching a single button. Initiating a call must be completed utilizing voice activated calling.

If employees are unable to use a hands-free device, they are to look for the nearest, safe area to pull off the road before initiating or returning any phone calls/e-mails/texts. We encourage no phone usage while driving.

Kent Companies reserves the right to amend or alter the terms of this policy.

### **Smoking**

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In keeping with the Company'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.

### **Alcohol and Drug Abuse Policy**

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Kent Companies has a vital interest in maintaining a safe, healthful, and efficient workplace. The use and effect of illegal drugs and alcohol by employees may very seriously jeopardize those goals, especially when employees allow illegal drugs or alcohol to impact their performance while at work. Because of these concerns, it is Kent Companies’ desire to take reasonable steps to ensure that the use of alcohol and/or drugs does not jeopardize the safety of our employees, subcontractors and customers.

#### Definitions

For the purposes of this Policy:

1. "Company Premises" includes (but is not necessarily limited to) all property, whether owned, leased, or used by Kent Companies. This Policy also includes certain premises owned, leased, or used by the customers we serve, or by partnering contractors or subcontractors. It also includes modes of transportation (trucks, cars, heavy machinery), whether owned by the employee or owned by Kent Companies, to and from all of those locations if the mode of transportation is used by the employee in the course of his or her employment by Kent Companies.
2. "Job Site" includes any location where Kent Companies is performing any form of work, whether or not the location is property owned by Kent Companies, a customer of Kent Companies, a client of Kent Companies, or a contractor or subcontractor working with Kent Companies.
3. "Prohibited Substances" includes: Illegal drugs (whether unlawful under federal law, state law, or both); controlled substances; hemp products; alcoholic beverages or liquids; prescription drugs; trace amounts or the metabolite of any of the above; any other substance which affects or may affect an employee's ability to competently or safely perform his or her job; or any other substance capable of altering mood, perception, or judgment. The authorized use of prescription medications do not qualify as "Prohibited Substances" under this Policy provided that the medication is prescribed by a qualified licensed practitioner under the practitioner's care and supervision, is used in compliance with a qualified medical practitioner's instructions, and under such terms as are provided in this Policy. Examples of "Prohibited Substances" include amphetamines, cannabinoids, cocaine, opiates, phencyclidines, and both medical and recreational use of marijuana.
4. "Under the influence" of alcohol means having a breath alcohol concentration of 0.02 or higher. "Under the influence" of any Prohibited Substance other than alcohol means having any detectable level of any Prohibited Substance or its metabolite in an employee's system.
5. "Reasonable Suspicion" refers to evidence which provides Kent Companies with an objective basis for believing that the employee has used, possessed, sold, distributed, or been under the influence of alcohol or non-medically prescribed drugs. It may include (but is not limited to): observation of behavior (such as slurred speech, unsteady walking, abrupt mood swings); observation of breath or odor consistent with the use of a Prohibited Substance; observations of physical manifestations frequently associated with some form of use of a Prohibited Substance (such as needle marks, sudden nosebleeds, or frequent illnesses not explained by any medical condition); absenteeism; declining productivity; excessive tardiness; and any other activity suggesting possible use of or involvement with any Prohibited Substance in violation of this Policy.

### Prohibitions

No principal, employee, or sub-contractor of Kent Companies shall:

1. Sell, distribute, be under the influence of, or be in possession of any form of Prohibited Substance while:
  - on Kent Companies Company Premises;
  - on a Kent Companies Job Site; or
  - while driving or operating any Kent Companies vehicle or equipment.
2. Have any detectable level of a Prohibited Substance or its metabolite in his or her system while at work, whether or not the Prohibited Substance was consumed by the employee when he or she was off-duty.
3. Store any Prohibited Substance on Company Premises; or refuse to submit to a reasonable search of an employee's person or property.

4. Fail to adhere to the requirements of any drug or alcohol treatment or counseling program in which any Kent Companies employee may be enrolled.
5. Fail to report to his or her supervisor or to Human Resources and Safety any use of any prescription or “over the counter” drug which has the capacity to alter mood, perception, or judgment or which might alter the employee’s behavior or physical or mental ability; or to fail to keep prescribed medications in its original container while at work on Kent Companies’ Company Premises or at a Kent Companies Job Site.
6. Refuse to sign a “Consent & Release” form authorizing drug testing and release of results to the Company; fail to promptly submit a urine, breath, or other sample for testing without a valid medical explanation when requested by the Company consistent with the requirements of this Policy and as allowed by law; or switch, dilute, or adulterate any sample submitted for testing.
7. Refuse to sign a statement agreeing to abide by this Policy.

### Implementation and Enforcement

1. Testing. Employees may be required to submit to substance testing, which might include (but is not necessarily limited to) urinalysis, blood, breath, hair, or similar tests, as provided below:
  - a. All employees will be required to pass a pre-employment substance test prior to becoming a full-time, Kent Companies employee.
  - b. A substance test may be required where any Kent Companies manager, supervisor, foreman, or officer acquires Reasonable Suspicion of any violation of this Policy.
  - c. Any employee involved in an accident, injury or near-miss accident where there is reasonable basis for believing the employee’s judgment or lack of judgment may have contributed to the incident will be required to submit for a substance test.
  - d. The Company will maintain a pool of all active Kent Companies employees and once each month or as the Company determines, a percentage of the pool’s eligible employee names will randomly be drawn. Those selected employees will be required to submit to testing as directed by the Company.
  - e. Substance testing will be performed as otherwise required by law.
  - f. Substance testing as part of jobsite contact requirements.
2. Investigations. Any Kent Companies employee’s personal property is subject to search if Kent Companies acquires Reasonable Suspicion of any violation of this Policy. The Company reserves the right to inspect the contents of any Company property being used by any employee at any time. Searches will be conducted with all due regard for the personal privacy of each employee and the integrity of the searching or testing process.
3. Authorized Use of Prescribed Medications. Employees working while under the care of a qualified medical practitioner who have been prescribed the use of a prescription drug to treat any medical condition will be allowed to work on Kent Companies’ job sites if Kent Companies determines that the medication will not inhibit the employee’s ability to perform his or her regular assigned duties safely and efficiently, and if the employee’s use of such medication is consistent with both the instructions of his qualified medical practitioner and all other requirements provided by this Policy.

4. DOT/CDL and Safety Sensitive Employees. Certain employees are required by applicable federal or state law to submit to certain special requirements by virtue of their maintenance of a commercial driver's license ("CDL"), because they operate heavy equipment (i.e.; trucks, cranes, lifts, loaders, and earth moving equipment) as a condition of their jobs, or because their job is covered by or regulated by the federal Department of Transportation ("DOT"). Further, certain other employees perform specific jobs which have been designated by Kent Companies as "safety sensitive" positions. DOT/CDL-covered employees and Safety Sensitive Employees are expected to comply with the terms of this Policy, but may have additional terms and conditions of employment related to substance use or testing beyond the requirements of this Policy. If there is any conflict between the terms of this Policy and the terms of Kent Companies' DOT/CDL or Safety Sensitive Employee Policy, employees should speak with a supervisor to ensure that they are complying with the correct policy.

#### Consequences for Violation of this Policy

1. Violations. Any employee who violates any term or condition of this Policy or who tests positive for a Prohibited Substance under the terms of this Policy is subject to discharge, up to or including immediate termination.
2. Last Chance Agreements. Individuals who are subject to termination for violation of this Policy may, at Kent Companies' sole discretion, be offered the opportunity to enter into a Last Chance Agreement ("LCA"). LCAs typically feature the following conditions:
  - a. The employee acknowledges in writing that he or she has violated the terms of this Policy;
  - b. The employee certifies that he or she has obtained or is obtaining treatment from a licensed drug or alcohol rehabilitation program or through a certified addiction counselor satisfactory to Kent Companies;
  - c. The employee agrees in writing to submit to testing on demand for the remainder of his or her employment; and
  - d. The employee will be discharged for any violation of the LCA or subsequent violations of this Policy.

If Kent Companies offers an LCA to an employee, that employee will be placed on an unpaid suspension during the course of his or her treatment in a licensed drug or alcohol rehabilitation program or through a certified addiction counselor satisfactory to Kent Companies. Such unpaid suspension shall not result in the loss of accrued but unused paid time off or benefits provided that the employee satisfactorily completes all terms and conditions of his treatment.

3. Re-Employment for Terminated Employees. After a minimum suspension of 28 days following termination for violation of this Policy, any employee terminated under the terms of this Policy may petition Kent Companies for re-employment. If a suitable position compatible with the employee's skills is available and Kent Companies deems it in its best interest to re-hire the terminated employee, an offer of employment will be extended. At his/her own expense, the employee will be required to take an alcohol and drug screen at a Kent Companies-approved facility. If the results of this test demonstrate the presence

of no Prohibited Substances or their metabolites in the former employee's system and fewer than six months have elapsed after the date of the employee's termination, the employee will be reinstated as a Kent Companies' employee without a break in service. Reinstated employees may be subject to additional testing at the Company's discretion. If a reinstated employee fails a subsequent test, that employee will be subject to immediate termination of employment.

4. **Voluntary Rehabilitation.** An employee who has never been disciplined by Kent Companies for any offense related to the use, sale, distribution, dispensation, manufacture, or possession of alcohol or a controlled substance may affirmatively and voluntarily request the Company's assistance for treatment of his/her alcohol and/or drug use problem. Such assistance can be requested through Kent Companies' Human Resources Department or through the confidential EAC Program. The Company shall attempt to refer the employee to appropriate medical treatment and counseling, and shall grant the employee a leave of absence, if necessary, to undertake such rehabilitative treatment. Employees requesting voluntary rehabilitation are still subject to the terms of this policy. Employees who are granted such leave of absence will be required by the Company to successfully complete a return to service medical examination, including alcohol and/or drug testing. Employees returning to work under this policy will be subject to periodic or random alcohol and/or drug testing, as a condition of reinstatement to work.

## **Family and Medical Leave**

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Under the Family and Medical Leave Act of 1993 (FMLA), eligible employees may take unpaid, job-protected leave for certain family-related, medical or military-related reasons. As described below, leave entitlements vary depending upon the reason for the leave. Eligible employees are those who have worked for Kent Companies for at least twelve (12) months, have worked 1,250 hours in the twelve-month period before the leave is to begin, and who work within 75 miles of at least forty-nine (49) other company employees. Leave is tracked according to a twelve-month period. Except as provided below, the 12-month period we use for tracking FMLA leave looks backward 12 months from the date any leave is taken.

Family Leave and Medical Leave: Up to 12 weeks of leave may be taken for any one, or a combination, of the following circumstances:

1. To care for the employee's child after birth, or placement for adoption or foster care;
2. To care for a spouse, child or parent who is suffering from a serious health condition;
3. For incapacity due to pregnancy, prenatal medical care of child birth;
4. For an employee's own serious health condition which prevents the employee from performing his or her job;
5. For any qualifying exigency arising out of the fact that the employee's spouse, son, daughter, or parent is a military member on covered active duty; or
6. To care for a covered service member with a serious injury or illness if the employee is the spouse, son, daughter, parent, or next of kin of the service member.

Regardless of the reason(s) for the leave, the maximum amount of leave for these categories is 12 weeks in a 12-month period. Where medically necessary, leave due to a serious health

condition may be taken on a reduced schedule or intermittent basis. Leave due to the birth, adoption or placement of a child may only be taken on a reduced schedule or intermittent basis with prior approval. New child leave must be completed within 12 months of the birth, adoption or placement. Where an employee takes leave for planned medical treatment or on an intermittent or reduced schedule basis, the employee must attempt to work with the company to schedule such leave so as not to disrupt the company's operations.

A "serious health condition" is an illness, 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, and that prevents you from performing the functions of your job or a family member from participating in school or other daily activities. Subject to the requirements of the FMLA, continuing treatment involves a period of incapacity of more than three (3) consecutive calendar days combined with at least two (2) visits to a health care provider or one (1) visit plus a regimen of continuing treatment. It also includes pregnancy and prenatal care, certain chronic conditions, and other conditions that meet the FMLA's requirements.

Military-Related Leave: Employees may take up to twelve (12) weeks of leave because of a "qualifying exigency" arising out of the fact that a spouse, parent or child of the employee is on covered active duty or has been notified of an impending call or order to covered active duty. Qualifying exigencies must relate to the active duty or call or order to active duty and include such things as: short notice deployment, attending military events and related activities, certain childcare and related activities, care of the military member's parent who is incapable of self-care, making or updating financial and legal arrangements, attending counseling, rest and recuperation, and certain post-deployment activities. Leave may be taken in a single block of time, intermittently, or on a reduced-schedule basis.

Eligible employees may take up to twenty-six (26) weeks of leave to care for a family member (spouse, child, parent or next of kin) who is a current member of the Armed Forces (including the National Guard or Reserves) or a veteran of the Armed Forces discharged within the five-year period before the family member first takes leave and who is undergoing medical treatment recuperation or therapy, is 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. A veteran who was dishonorably discharged does not meet the definition of a covered service member. Leave under this category may only be taken during a single twelve-month period beginning from the first date of leave. Leave may be taken in a single block of time, intermittently, or on a reduced-schedule basis.

Total Leave Entitlement: Leave taken for all categories of family, medical and military leave will be combined toward the applicable 26-week or 12-week entitlements outlined in this policy. Where a husband and wife both work for the Company, they will be limited to a combined 12 or 26 weeks of leave due to birth, adoption or placement of a child for foster care, to care for a parent with a serious health condition, or to care for a family member with serious injury or illness arising out of their military service.

Notification & Certification of Need for Leave: When practical, employees are required to give Kent Companies at least thirty (30) days notice of the need for leave. When the need for leave becomes known less than thirty (30) days in advance, you are required to notify the company promptly when the need for leave becomes known. Subject to the above, you must generally comply with normal absence notification procedures. Failure to provide timely notice may result in your leave being delayed. When the need for leave is unforeseeable, you or someone on your behalf must notify the Company as soon as possible. Please provide as much information as possible about the reason for leave so that we can properly and timely determine whether your leave qualifies under this policy. Calling in “sick” is not sufficient. If your leave has already been approved and you subsequently need time off for that same reason, you must specifically inform us that you are taking leave for that reason or tell us that you are taking “FMLA leave.”

When the need for leave is military-related or due to a serious health condition (the employee’s or a family member’s), you will be required to provide certification of the need for leave and its duration on a form supplied by the company. Generally, this certification must be completed and returned to the company within fifteen (15) days of when it was provided to you. Kent Companies is not responsible for any charges incurred for completing the certification forms. While off work on leave, verification of continued need for leave and intent to return may also be requested. Failure to provide timely notice or the required certification may result in the leave being delayed or denied, or your absences being counted against our attendance policy or standards.

Employer Notice: If you request leave, you will be informed whether you are eligible under the FMLA. If you are, the notice will specify any additional information required as well as your rights and responsibilities. If you are not eligible, you will be given a reason for the ineligibility. You will also be informed if leave will be designated as FMLA leave and if known, the amount of leave counted against your total leave entitlement. If the company determines that the leave is not covered by the FMLA, you will be notified of this determination.

Benefits: Group health plan benefits are continued during FMLA leave. To maintain health care coverage during an approved leave, you must continue to pay the regular required employee contribution. If you fail to make the required contributions, health care coverage may be terminated and you will be allowed to continue coverage under COBRA. Employees who fail to return from an FMLA leave or who terminate within thirty (30) days of returning may be required to reimburse the company for any insurance premiums paid on their behalf during a leave. Non-health benefits will not be continued during a FMLA leave. You will not lose any benefit that was earned prior to your leave.

In certain circumstances, disability benefits or workers’ compensation benefits may be available during FMLA leave. You will also be required to use any available paid time off (e.g., vacation, sick days, etc.) during an otherwise unpaid FMLA leave, subject to the terms of the paid time off policies. Employees on FMLA leave will not receive pay for holidays while they are on leave.

**Other Requirements:** Employees may not engage in any work (whether for another employer or self-employed) while on a leave of absence under this policy. Employees returning from a leave due to their own serious health condition may be required to provide the company with a fitness for duty certification. Employees who return from leave within the allowed time limits will be reinstated to their same or an equivalent position with the company, with equivalent pay, benefits and other employment terms. The company may deny reinstatement to certain “key employees” consistent with the FMLA guidelines.

Additional information about FMLA can be found on posted notices in designated employee areas or from the Company’s Human Resources Director.

### **Lactation Policy**

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For up to one year after the child's birth, any employee who is breastfeeding her child will be provided reasonable break times to express breast milk for her baby. The Company will provide a place, other than a bathroom, that is shielded from view and free from intrusion from coworkers and the public, which may be used to express breast milk. Retaliation against any employee who takes lactation breaks pursuant to this policy is strictly prohibited.

Breaks of more than 20 minutes in length will be unpaid, and employees who are required to record time should indicate this break period on their time record.

### **Military Leave**

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A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable.

Contact the Human Resources Department for more information or questions about military leave.

### **Employee Dignity and Anti-Harassment Policy**

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Kent Companies strives to create and maintain a work environment in which people are treated with dignity, decency and respect. The environment of the company should be characterized by mutual trust and the absence of intimidation, oppression and exploitation. Employees should be able to work and learn in a safe, yet stimulating atmosphere. The accomplishment of this goal is essential to the mission of the company. Accordingly, all Company employees are expected to conduct themselves with dignity, respect, and professionalism towards fellow employees and other people who may have contact with the Company. Harassment of employees, customers, clients, or contractors, or others will not be tolerated. This policy includes – but is not limited to – harassment that is based on protected legal characteristics such as sex, race, national origin, and religion.

All employees, regardless of their positions, are covered by and are expected to comply with this policy and to take appropriate measures to ensure that prohibited conduct does not occur. Appropriate disciplinary action will be taken against any employee who violates this policy. Based on the seriousness of the offense, disciplinary action may include verbal or written reprimand, suspension or termination of employment.

Our harassment policy applies to conversations, email, text messages, social media posts, tweets and digital images and videos that are about or may be seen by employees, customers, vendors or other members of our community. Remember – it “still counts” even if an employee posts it online.

### *Prohibited Conduct Under This Policy*

Kent Companies, in compliance with all applicable federal, state and local anti-discrimination and harassment laws and regulations, enforces this policy in accordance with the following definitions and guidelines:

#### Discrimination

It is a violation Kent Companies policy to discriminate in the provision of employment opportunities, benefits or privileges; to create discriminatory work conditions; or to use discriminatory evaluative standards in employment if the basis of that discriminatory treatment is, in whole or in part, the person’s race, color, national origin, age, religion, disability status, gender, sexual orientation, gender identity, genetic information or marital status.

Discrimination of this kind may also be strictly prohibited by a variety of federal, state and local laws, including Title VII of the Civil Rights Act 1964, the Age Discrimination Act of 1975, and the Americans with Disabilities Act of 1990. This policy is intended to comply with the prohibitions stated in these anti-discrimination laws.

Discrimination in violation of this policy will be subject to disciplinary measures up to and including termination.

#### Zero-Tolerance Policy for Harassment

Kent Companies prohibits harassment any kind, and will take appropriate and immediate action in response to complaints or knowledge of violations of this policy. As described in this Policy, “harassment” can include verbal, non-verbal, or sexual harassment. This policy prohibits all forms of physical acts or conduct, attempted acts, statements, gestures, jokes, written or graphic material, e-mail or other communications, that are harmful, offensive, derogatory, abusive, insulting, threatening, or intimidating. Violation of this policy will result in disciplinary action up to and including termination of employment.

The following examples of harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation of this policy:

- Examples of verbal harassment include (but aren’t limited to):
  - Using hate words, including nicknames, slurs and negative stereotyping.

- Teasing based on the person's race, color, national origin, age, religion, disability status, gender, sexual orientation, gender identity, genetic information or marital status.
- Bullying or contributing to a hostile work environment through taunting.
- Teasing another person because you think they don't "measure up."
- Unwelcome advances, requests for sexual favors, quid pro quo offers, threats of retaliation or other verbal comments of a sexual nature (jokes, innuendos, suggestive comments, lewd remarks).
- Examples of non-verbal harassment include (but aren't limited to):
  - Conduct that threatens, intimidates or coerces another person.
  - Distribution of photos or video of another person when they are not aware with the intent to ridicule or insult based on national origin, race, color, religion, age, gender, sexual orientation, pregnancy, appearance, disability, sexual identity, marital or other protected status.
  - Distribution or display of written or graphic material that ridicules, insults, belittles or shows hostility, aversion or disrespect toward an individual or group.
  - Unwelcome, unwanted physical contact, either through direct touch or proximity; suggestive gestures
  - Distribution, display or discussion of written or graphic material that is sexually suggestive, insulting or demeaning.

These behaviors are unacceptable and therefore prohibited, even if not unlawful in and of themselves.

One form of conduct that is prohibited by this policy is harassment based on sex. The following description of sexual harassment illustrates the types of behavior that will be considered to be harassment. Sexual harassment includes the issue of unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature, where:

- (1) submission to this conduct becomes a condition of any person's continued employment with the Company; or
- (2) submission to or rejection of this conduct becomes the basis for employment decisions affecting any person; or
- (3) this conduct has the purpose or effect of creating an intimidating, hostile or offensive working environment.

Sexual harassment may take different forms. The following examples of sexual harassment are intended to be guidelines and are not exclusive when determining whether there has been a violation of this policy:

- Verbal sexual harassment includes innuendoes, suggestive comments, jokes of a sexual nature, sexual propositions, lewd remarks and threats; requests for any type of sexual favor (this includes repeated, unwelcome requests for dates); and verbal abuse or "kidding" that is oriented toward a prohibitive form of harassment, including that which is sexual in nature and unwelcome.
- Nonverbal sexual harassment includes the distribution, display or discussion of any written or graphic material, including calendars, posters and cartoons that are sexually suggestive

or show hostility toward an individual or group because of sex; suggestive or insulting sounds; leering; staring; whistling; obscene gestures; content in letters and notes, facsimiles, e-mail, photos, text messages, tweets and Internet postings; or other form of communication that is sexual in nature and offensive.

- Physical sexual harassment includes unwelcome, unwanted physical contact, including touching, tickling, pinching, patting, brushing up against, hugging, cornering, kissing and fondling and forced sexual intercourse or assault.

### *Professionalism and Dignity*

Kent Companies expects its employees to follow this policy by refraining from participation in all of the above prohibited conduct. But it also expects its employees to comport themselves with professionalism, and to value and honor the dignity of others. Unprofessional conduct is conduct of any type which is inappropriate in the work place or demeaning towards others as determined by the Company in its sole discretion. In determining whether conduct is inappropriate or unprofessional, the Company will rely on its discretion and common sense as applied in light of the facts of the situation, as well as the need to maintain positive customer or client and employment relations. Unprofessional conduct includes, but is not limited to, the types of conduct described above, even if such conduct may not necessarily be unlawful. Employees who have engaged in such unprofessional conduct may be disciplined up to and including termination.

One form of conduct which Kent Companies considers to be unprofessional is workplace bullying, which is also prohibited by this policy. Kent Companies defines bullying as repeated inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work or otherwise in the course of employment.

Each employee is responsible to ensure that his or her behavior complies with the standards expressed in this policy. Behavior that is harassing or unprofessional toward others will not be excused simply because the actor or actors did not intend any harm or offense.

### *Complaints and Retaliation Protection*

If you are a witness to, or subjected to, any form of discrimination, harassment, or unprofessional conduct, you should immediately notify your supervisor or the Human Resources Department as may be appropriate. You should also notify your supervisor if conduct which you believe to be in violation of this policy is perpetrated by non-Company personnel in the course of business. Kent Companies has established the following procedure for lodging a complaint of harassment, discrimination or retaliation:

1. An individual who feels harassed, discriminated or retaliated against may initiate the complaint process by filing a complaint in writing with Kent Companies human resource (HR) director. No formal action will be taken against any person under this policy unless HR has received a written and signed complaint containing sufficient details to determine if the policy may have been violated. The complainant (the employee making the

complaint) may obtain the complaint form from the HR department. If a supervisor or manager becomes aware that harassment or discrimination is occurring, either from personal observation or as a result of an employee's coming forward, the supervisor or manager should immediately report it to the HR director.

2. Upon receiving a complaint or being advised by a supervisor or manager that violation of this policy may be occurring, the HR director will notify the company and review the complaint with the company's legal counsel.
3. Within five working days of receiving the complaint, the HR director will notify the person(s) charged [hereafter referred to as "respondent(s)"] of a complaint and initiate the investigation to determine whether there is a reasonable basis for believing that the alleged violation of this policy occurred.
4. During the investigation, the HR director, together with legal counsel or other management employees, will interview the complainant, the respondent and any witnesses to determine whether the alleged conduct occurred.
5. Within 15 business days of the complaint being filed (or the matter being referred to the HR director), the HR director or other person conducting the investigation will conclude the investigation and submit a written report of his or her findings to the company.
6. If it is determined that harassment or discrimination in violation of this policy has occurred, the HR director will recommend appropriate disciplinary action. The appropriate action will depend on the following factors: a) the severity, frequency and pervasiveness of the conduct; b) prior complaints made by the complainant; c) prior complaints made against the respondent; and d) the quality of the evidence (e.g., first-hand knowledge, credible corroboration).
7. If the investigation is inconclusive or if it is determined that there has been no violation of policy but potentially problematic conduct may have occurred, the HR director may recommend appropriate preventive action.
8. Within five days after the investigation is concluded, the HR director will meet with the complainant and the respondent separately, notify them of the findings of the investigation, and inform them of the action being recommended.
9. The complainant and the respondent may submit statements to the HR director challenging the factual basis of the findings. Any such statement must be submitted no later than five working days after the meeting with the HR director in which the findings of the investigation are discussed.
10. Within 10 days from the date the HR director meets with the complainant and respondent, the company will review the investigative report and any statements submitted by the complainant or respondent, discuss results of the investigation with the HR director and other management staff as may be appropriate, and decide what action, if any, will be taken. The HR director will report the company's decision to the complainant, the respondent and the appropriate management assigned to the department(s) in which the complainant and the respondent work. The company's decision will be in writing and will include findings of fact and a statement for or against disciplinary action. If disciplinary action is to be taken, the respondent will be informed of the nature of the discipline and how it will be executed.

Each report received by the Company from its employees will be given serious consideration and investigated promptly. Reports and investigations will be handled with discretion, and appropriate corrective action will be taken. The company will treat all aspects of the procedure confidentially to the extent reasonably possible. It is against Company policy and unlawful to retaliate in any way against anyone who has in good faith lodged a conduct complaint, has expressed a concern about workplace conduct or professionalism, or has cooperated in an employer investigation. The initiation of any complaint made in good faith shall not be grounds for disciplinary action by the Company. Individuals who raise complaints which are later shown to be intentionally false or fraudulent or who submit a complaint for any purpose other than elimination of workplace discrimination, harassment, or any other activity protected under state or federal law may be subject to disciplinary action, however, up to and including termination.

This policy is not intended to prohibit (nor should be construed to restrict) the lawful exercise of any employee right guaranteed by state or federal law.

### **Consensual Romantic or Sexual Relationships**

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Kent Companies strongly discourages romantic or sexual relationships between a manager or other supervisory employee and his or her staff (an employee who reports directly or indirectly to that person) because such relationships tend to create compromising conflicts of interest or the appearance of such conflicts. In addition, such a relationship may give rise to the perception by others that there is favoritism or bias in employment decisions affecting the staff employee. Moreover, given the uneven balance of power within such relationships, consent by the staff member is suspect and may be viewed by others or, at a later date, by the staff member as having been given as the result of coercion or intimidation. The atmosphere created by such appearances of bias, favoritism, intimidation, coercion or exploitation undermines the spirit of trust and mutual respect that is essential to a healthy work environment. If there is such a relationship, the parties need to be aware that one or both may be moved to a different department, or other actions may be taken.

If any employee of Kent Companies enters into a consensual relationship that is romantic or sexual in nature with a member of his or her staff (an employee who reports directly or indirectly to him or her), or if one of the parties is in a supervisory capacity in the same department in which the other party works, the parties must notify the human resource director or other appropriate corporate officer. Because of potential issues regarding quid pro quo harassment, Kent Companies has made reporting mandatory. This requirement does not apply to employees who do not work in the same department or to parties who do not supervise or otherwise manage responsibilities over the other.

Once the relationship is made known to Kent Companies, the company will review the situation with human resources in light of all the facts (reporting relationship between the parties, effect on co-workers, job titles of the parties, etc.) and will determine whether one or both parties need to be moved to another job or department. If it is determined that one party must be moved, and there are jobs in other departments available for both, the parties may decide who will be the

one to apply for a new position. If the parties cannot amicably come to a decision, or the party is not chosen for the position to which he or she applied, the parties will contact human resources, which will decide which party should be moved. That decision will be based on which move will be least disruptive to the organization as a whole. If it is determined that one or both parties must be moved, but no other jobs are available for either party, the parties will be given the option of terminating their relationship or resigning.

## **Workplace Violence Prevention**

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Kent Companies is committed to preventing workplace violence and to maintaining a safe work environment. Workplace violence presents a serious occupational safety hazard to our organization, staff, and clients.

The Company will not tolerate any inappropriate physical conduct by any person that may result in harm to people or property. Additionally, conduct that threatens, intimidates, or coerces any Company employee, customer or client, manager, vendor, or any member of the public at any time, for any reason, will not be tolerated. Employees must report all threats or instances of violence as soon as possible to a supervisor or any other member of management. This includes threats by other employees, as well as threats by customers or clients, vendors, or other members of the public.

It is the responsibility of every employee to report any and all violations of the security policy to the Company's management. All employees are expected to fully cooperate with any investigation related to workplace violence, whether conducted internally or by outside authorities.

Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of the company without proper authorization. We recognize that there are state laws regarding weapon permits, including concealed weapon permits. However, we prohibit the possession of weapons on company premises, in company vehicles, or while on company time regardless of any permit obtained by the employee. The Company also reserves the right to inspect all personal property brought on to the Company's premises, including trucks, cars, duffle bags, satchels, lunch pails, etc. We may also inspect the contents of its property assigned to employees, such as desks, file cabinets, etc.

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. We 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, the company may suspend employees, either with or without pay, pending investigation.

Acts of violence by or against any of our employees where any work-related duty is performed will be thoroughly investigated and appropriate action will be taken, including involving law

enforcement authorities when warranted. All employees are responsible for helping to create an environment of mutual respect for each other as well as clients and visitors, following all policies, procedures and practices, and for assisting in maintaining a safe and secure work environment. Employees found to be in violation of the security policy will be subject to disciplinary action, or termination of employment.

## **Employee's Agreement and Acknowledgement of Receipt**

I acknowledge that Kent Companies (the "Company") has made a copy of its "Employee Handbook" available electronically, I have been shown where I can download and review this document, and I understand that a paper copy of the document is available through the Company's Human Resources Department. I understand that my employment with the Company is subject to the terms of the Handbook, which contains important information describing my employer's personnel policies. I have familiarized myself with the material contained in the Handbook and agree to abide by the policies and guidelines outlined in it. Furthermore, I understand that the policies, benefits, and guidelines in the Handbook can be changed, amended, or terminated at any time with or without notice to me. I understand that any previous policies or representations relating to my employment are no longer in effect, having been replaced only by those terms detailed in the Handbook.

I acknowledge that I am an at-will employee as described in this Handbook. I also acknowledge that no one is authorized to modify the terms of the Handbook or make any agreement that is different from its terms, except by (1) a written agreement signed by the Company's Executive Management Team, or (2) the Company's authorized publication and distribution of a revised edition of this Handbook. I acknowledge that the Handbook contains no contractual terms or provisions except for those terms and conditions of employment as provided on this Agreement and Acknowledgement of Receipt.

I agree that all records, files, papers, information, documents, and software to which I may have access in the course of my employment are confidential, and I will treat them as strictly confidential during and after my employment. When my employment ends, or when requested by the Company, I will return all Company property in my possession, including any records, files, papers, information, documents, and software owned by the Company or containing confidential or proprietary information about the Company. I will not, during or after my employment, disclose to any person or organization any confidential information that I acquired in the course of my employment with the Company, and I will not use such information for the benefit of any person or organization other than in the proper performance of my job duties on behalf of the Company.

I authorize the Company to deduct from my final paycheck (or from any other amounts that may be due me when my employment with the Company ends) any amounts that I may owe to the Company on account of loans, advances of wages, benefits paid to me by the Company that I had not earned or accrued, unpaid insurance premiums, or any other debts or obligations.

I agree that any claim or suit that relates to my employment with the Company or my termination of employment with the Company must be filed within the following time limits or be forever barred: (1) for suits requiring a Notice of Right to Sue from the EEOC or any equivalent governmental

agency, within 90 days after the EEOC or agency issues that Notice; or, (2) for all other claims, within (a) 180 days of the events giving rise to the claim, or (b) the time limit specified by the applicable statute or at common law, whichever is shorter. Further, I agree to waive any statute of limitation to the contrary.

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Employee's Signature and Date