

## Table of Contents

- 1. Welcome**
  - 1.1. History, Goals & Culture
  - 1.2. Purpose of Handbook
  - 1.3. At-Will Employment
- 2. Workplace Commitments**
  - 2.1. Equal Opportunity Employment
  - 2.2. Non-Harassment / Non-Discrimination
  - 2.3. Drug Free / Alcohol Free
  - 2.4. Open Door Policy
- 3. Company Policy and Procedures**
  - 3.1. Code of Professional Conduct
  - 3.2. Dress Code
  - 3.3. Payday
  - 3.4. Company Property
  - 3.5. Privacy
  - 3.6. Personnel Files
- 4. Employment Classification**
  - 4.1. Exempt
  - 4.2. Non-Exempt
  - 4.3. Part-Time, Full-Time or Temporary Status
- 5. Attendance Policies**
  - 5.1. General Attendance
  - 5.2. Tardiness
  - 5.3. Breaks
- 6. Leave Policies**
  - 6.1. Family and Medical Leave Act
  - 6.2. Vacation Policy- Home Base
  - 6.3. Vacation Policy - Field Services
- 7. Benefits**
  - 7.1 Holiday Pay
  - 7.2 Retirement Plan Benefits
  - 7.3 Health and Dental Insurance Coverage
- 8. Work Performance**
  - 8.1. Expectations
  - 8.2. Reviews
  - 8.3. Insubordination
- 9. Discipline Policy**
  - 9.1. Grounds for Disciplinary Action
  - 9.2. Procedures
  - 9.3. Termination
- 10. Employee Health and Safety**
  - 10.1. Workplace Safety
  - 10.2. Workplace Security
  - 10.3. Emergency Procedures
  - 10.4. Reference to Full Safety Policies
- 11. Termination Policies**
  - 11.1. Voluntary Termination
  - 11.2. Final Paycheck
  - 11.3. COBRA Continuation of Benefits
  - 11.4. Exit Interview
- 12. Acknowledgment of Receipt**

## Section 1 – Welcome

### 1.1 History, Goals & Culture

API Control Systems was founded in 1989 as American Pneumatics, Inc., focusing on pneumatic control systems in the Lafayette, LA area. As the company grew, it adapted to electronic control systems, underwent a name change in 2004, and was acquired by Danos, LLC in 2014. In 2019, long-time employees Lucas Comeaux and Brandon Verret acquired API, re-establishing it as an independent entity. Today, API Control Systems offers high-quality services and maintains core values of integrity, professionalism, and continuous improvement.

API's **Purpose** is to provide growth opportunities to our team members, highest quality products, and excellent service. Along with our **Core Values of Integrity, Continuous Improvement, Professionalism, Quality Workmanship and Celebrating Success**, we feel you will be a great fit for our growing team. Thank you for your interest in API Control Systems, and we look forward to taking on new challenges and celebrating success with you.

For API's full history and Mission Statement, please visit <https://www.apicontrolsystems.com/about>.

### 1.2 Purpose of this Handbook

This handbook has been prepared to inform new employees of the company's policies and procedures, and to clarify the company's expectations. It is not all-encompassing or meant for strict interpretation, but instead offers a general overview of the work environment. This handbook is not a contract, expressed or implied, guaranteeing employment for any specific duration, nor is it intended to induce employment. The company reserves the right to revise, suspend, revoke, terminate, or alter any of its policies, whether outlined here or elsewhere, at its sole discretion. In the event of discrepancies between this handbook and current company policy, current policy prevails. We will make every effort to inform employees of policy updates; however, notice cannot always be guaranteed. Feel free to seek clarification on any part of this handbook. This handbook supersedes any prior personnel policies or manuals distributed to employees.

### 1.3 At-Will Employment

Employment at this company is at-will. An at-will employment relationship can be terminated at any time, with or without reason or notice by either the employer or the employee. This at-will employment relationship exists regardless of any statements by office personnel to the contrary. Only the CEO is authorized to modify the at-will nature of the employment relationship, and the modification must be in writing.

## Section 2 – Workplace Commitments

### 2.1 Equal Opportunity Employment

This company is an equal opportunity employer and does not unlawfully discriminate against employees or applicants for employment on the basis of an individual's race, color, religion, creed, sex, national origin, age, disability, marital status, veteran status or any other status protected by applicable law. This policy applies to all terms, conditions and privileges of employment, including recruitment, hiring, placement, compensation, promotion, discipline, and termination. Whenever possible, the company makes reasonable accommodations for qualified individuals with disabilities to the extent required by law. Employees who would like to request reasonable accommodation should contact the CEO.

## 2.2 Non-Harassment Policy / Non-Discrimination Policy

This company prohibits discrimination or harassment based on race, color, religion, creed, sex, national origin, age, disability, marital status, veteran status, or any other status protected by law. Every employee has the right to work in a professional environment that supports equal employment opportunities and is free from discriminatory practices, including harassment. Consistent with this policy, the company strictly prohibits and will not tolerate harassment on the basis of any legally protected status. Violations will not be tolerated.

Discrimination includes, but is not limited to, any employment decision or action based on a protected status. Harassment is generally defined as unwelcome verbal or non-verbal conduct based on a person's protected characteristic that demeans or shows hostility toward that person, affecting their employment opportunities, work performance, or creating a hostile work environment. Harassing conduct includes but is not limited to epithets, slurs, negative stereotyping, threatening acts, or hostile behaviors. Jokes, graphic materials, or actions that degrade individuals or groups are also prohibited.

Sexual harassment is defined as unwelcome sexual advances, requests for favors, or other verbal, visual, or physical conduct of a sexual nature when:

1. Submission to such conduct is made a condition of employment,
2. Submission to or rejection of such conduct is used as the basis for employment decisions, or
3. The conduct interferes with work performance or creates a hostile work environment.

Examples of sexual harassment include, but are not limited to: unwelcome sexual advances, suggestive comments, jokes, crude language, verbal abuse, displaying sexually suggestive material, inappropriate physical contact, or physical assault.

Reporting: Employees who feel they have experienced or witnessed discrimination or harassment should immediately report the matter to their supervisor or the CEO. The company will promptly investigate all complaints and take appropriate action. All investigations will be treated confidentially to the extent feasible, and no employee will face retaliation for filing a complaint in good faith or participating in an investigation. Employees who believe they have been retaliated against should file a complaint following the same procedure.

## 2.3 Drug-Free / Alcohol-Free Environment

Employees are prohibited from unlawfully consuming, distributing, possessing, selling, or using controlled substances while on duty. In addition, employees may not be under the influence of any controlled substance, such as drugs or alcohol, while at work, on company premises or engaged in company business. Prescription drugs or over-the-counter medications, taken as prescribed, are an exception to this policy. Anyone violating this policy may be subject to disciplinary action, up to and including termination.

## 2.4 Open Door Policy

The company has an open door policy and takes employee concerns and problems seriously. The company values each employee and strives to provide a positive work experience. Employees are encouraged to bring any workplace concerns or problems they might have or know about to their supervisor or some other member of management.

## Section 3 – Company Policies and Procedures

### 3.1 Professional Conduct

This company expects its employees to adhere to a standard of professional conduct and integrity. This ensures that the work environment is safe, comfortable and productive. Employees should be respectful, courteous, and mindful of others' feelings and needs. General cooperation between coworkers and supervisors is expected. Individuals who act in an unprofessional manner may be subject to disciplinary action.

Employees should refrain from engaging in any business or company that is competitive with the employer's business activity and scope of work. As a result, employees will not engage in any business or work that competes with the company's business activities. The employee agrees not to operate, manage, advise, own, control, consult with, or permit their name to be used by any business that competes with the employer. Employees should also refrain from using or disclosing the proprietary information of their former employer and acknowledge that they are not in possession of such information.

### 3.2 Dress Code

An employee's personal appearance and hygiene is a reflection on the company's character. Employees are expected to dress appropriately for their individual work responsibilities and position.

- Jeans, t-shirts, and closed toe shoes for all shop personnel.
- Jeans or pants, collared shirts, closed toed shoes for administrative personnel.
- Hats are acceptable for all positions.

### 3.3 Payday

Paychecks are distributed every second Friday after 8:00 a.m., based on timesheets submitted two weeks prior. If the pay date lands on a holiday, paychecks will be distributed on the closest business day before the holiday. The paycheck will reflect work performed for the previous period. Paychecks include salary or wages earned less any mandatory or elected deductions. Mandatory deductions include federal or state withholding tax, and other withholdings for insurance and Social Security. State withholdings will be determined by the State in which the employee is working and may vary from the state in which the employee resides.

Elected deductions are deductions authorized by the employee, and may include, for example, contributions to benefit plans. Employees may contact Human Resources to obtain the necessary authorization forms for requesting additional deductions from their paychecks. Notify a supervisor if the paycheck appears to be inaccurate or if it has been misplaced. The company reserves the right to charge a replacement fee for any lost paychecks. Advances on paychecks are not permitted. Information regarding final paychecks can be found under the termination section of this handbook.

Any change in name, address, telephone number, marital status or number of exemptions claimed by an employee must be reported to Human Resources immediately.

### 3.4 Company Property

Company property, such as equipment, vehicles, telephones, computers, and software, is not for private use. These devices are to be used strictly for company business, and are not permitted off grounds unless authorized. Company property must be used in the manner for which it was intended. Upon termination, employees are required to surrender any company property they possess. Company computers, internet and emails are a privileged resource, and must be used only to complete essential job-related functions. Employees are not permitted to download any "pirated" software, files or programs and must receive permission from a supervisor before installing any new software on a company computer. Files or programs stored on company computers may not be copied for personal use. Phones

are provided for business use. The company requests that employees not receive personal calls while on duty. If urgent, please keep personal calls to a minimum and conversations brief. Personal long distance calls are not permitted. Employees are reminded that they should have no expectation of privacy in their use of company computers or other electronic equipment. Violations of these policies could result in disciplinary action.

### 3.5 Privacy

Employees and employers share a relationship based on trust and mutual respect. However, the company retains the right to access all company property including computers, desks, file cabinets, storage facilities, and all files and folders, electronic or otherwise, at any time. Employees should not entertain any expectations of privacy when on company grounds or while using company property. All documents, files, voicemails, electronic information, including e-mails and other communications created, received, or maintained on or through company property, are the property of the company. Therefore employees should have no expectation of privacy over those files or documents.

### 3.6 Personnel Files

The company maintains a personnel file on each employee. These files are kept confidential to the extent possible. Employees may review their personnel file upon request. It is important that personnel files accurately reflect each employee's personal information. Employees are expected to inform the company of any change in name, address, home phone number, home address, marital status, number of dependents, or emergency contact information.

## **Section 4 - Employment Classification**

This company assigns positions, determines wages, and compensates employees for overtime in accordance with state and local laws as well as the Fair Labor Standards Act.

### 4.1 Exempt Employees

Exempt employees are those that are excluded from the overtime pay requirements of the Fair Labor Standards Act. Exempt employees are paid a salary and are expected to work beyond their normal work hours whenever necessary to accomplish the work of the company. Exempt employees are not eligible to receive overtime compensation. Employees should consult with an administrator if they have questions regarding their classification as an exempt employee.

### 4.2 Non-Exempt Employees

Non-exempt employees are those eligible for overtime pay of 1.5 times the regular hourly rate of pay for all hours worked over 40 per work week. All overtime must be approved in advance. Employees should consult with an administrator if they have questions regarding their classification as a non-exempt employee.

### 4.3 Part Time, Full Time or Temporary Status

Part-time or full-time status depends on the number of hours per week an employee works. Regular employees who work fewer than 40 hours a week, or 130 hours a month, receive part-time classification. Part-time employees are not eligible for employee benefits as described in this handbook. Regular employees who work at least 40 hours a week receive full-time classification. From time to time the company may hire employees for specific projects or periods of time. Temporary employees may work either part-time or full-time, but generally are scheduled to terminate by a certain date. Temporary employees who remain on duty past the scheduled termination remain classified as temporary. Only

company management may change an employee's temporary status. Temporary employees are not eligible for employment benefits.

## **Section 5 – Attendance Policies**

### **5.1 General Attendance**

Hours may vary depending on work location and job responsibilities. Supervisors will provide employees with their work schedule. Should an employee have any questions regarding his or her work schedule, the employee should contact the supervisor. The company does not tolerate absenteeism without excuse. Employees who will be late to or absent from work should notify a supervisor in advance, or as soon as practicable in the event of an emergency. Continued absenteeism may result in disciplinary action. Employees who need to leave early, for illness or otherwise, should inform a supervisor before departure. Unauthorized departures may result in disciplinary action.

### **5.2 Tardiness**

Employees are expected to arrive on time and ready for work. An employee who arrives 5 minutes after their scheduled arrival time is considered tardy. The company recognizes that situations arise which hinder punctuality; regardless, excessive tardiness is prohibited, and may be subject to disciplinary action.

### **5.3 Breaks**

When working conditions permit, and pending a supervisor's approval, employees are entitled to one paid 15 minute break for every 4 hours worked. Meal periods are for 30 minutes, are unpaid, and must be approved by a supervisor.

## **Section 6 – Leave Policies**

### **6.1 Family and Medical Leave Act Leave**

The company offers leave consistent with the requirements of the federal Family and Medical Leave Act (FMLA). Under the FMLA, an employee may be eligible for an unpaid family and medical leave of absence under certain circumstances, if the employee works within a seventy-five (75) mile radius of fifty (50) or more company employees. Under the federal FMLA, a person who has worked as an employee of this company for at least 1,250 hours for twelve months is eligible for FMLA leave. Up to twelve weeks of unpaid leave per year is available for the following reasons:

- The birth of a child and to care for the newborn child;
- Placement of a child into adoptive or foster care with the employee;
- Care for a spouse, son, daughter or parent who has a serious health condition; or
- Care for the employee's own serious health condition.

If the need for leave is foreseeable, employees should notify a supervisor 30 days prior to taking FMLA leave. If the need for FMLA leave arises unexpectedly, employees should notify a supervisor as soon as practicable, giving as much notice to the company as possible.

Employees may be required to provide medical certifications supporting the need for leave if the leave is due to a serious health condition of the employee or employee's family member, periodic recertification of the serious health condition, and periodic reports during the leave regarding the employee's status and intent to return to work.

Employees must return to work immediately after the serious health condition ceases, and employees who have taken leave because of their own serious health condition must submit a fitness-for-duty certification before being allowed to return to work. Leave may be taken on an intermittent or reduced schedule to care for an illness; yet, may not be taken intermittently for the care of a newborn or newly adopted child. When leave is taken intermittently, the company may transfer the employee to another position with equivalent pay and benefits, which is better suited to periods of absence. Subject to certain conditions, the employee or the company may choose to use accrued paid leave (such as sick leave or vacation leave) concurrent with FMLA leave. The company will maintain group health insurance coverage for an employee on family and medical leave on the same terms as if the employee had continued work. If applicable, arrangements will be made for the employee to pay their share of health insurance premiums while on leave. The company may recover premiums paid to maintain health coverage for an employee who fails to return to work from family and medical leave.

If an employee would like the company to maintain other paid benefits during the period of leave, premiums and charges which are partially or wholly paid by the employee must continue to be paid by the employee during the leave time. Family and medical leave will not result in the loss of any employment benefit accrued prior to the date on which the leave commenced. However, an employee on family and medical leave does not continue to accrue benefits (e.g., sick leave or vacation leave) during the period of family and medical leave. Questions regarding particular benefits should be directed to the CEO.

Upon returning from FMLA leave, an employee will be restored to his/her original job or an equivalent job with equivalent benefits, pay, seniority, and other employment

## 6.2 Vacation Policy - Home Base

At API Control Systems, Inc. ("API"), we believe in fostering a healthy work/life balance for our dedicated full-time employees. As a token of goodwill to eligible field service employees, we offer vacation time as a gratuity. This policy is designed to encourage you to take the time you need to relax, recharge, and make the most of your personal life. Please review the details below:

### 1. Waiting Period

- Home base employees become eligible for vacation time after an initial 60-day waiting period from the hire date. This ensures a smooth onboarding process and integration into our work environment.

### 2. Vacation Time Details

- Home base employees accumulate 1 week of vacation time annually.
- Vacation time may only be used in increments of 4 or 8 hours and is limited to Monday through Friday.
- After 5 years of service, home base employees accumulate up to 2 weeks annually.
- After 10 years of service, home base employees accumulate up to 3 weeks annually.

### 3. Vacation Time as a Gratuity

- Vacation time is not mandated by law and is offered strictly as a gratuity.
- As a gratuity, vacation time is not earned, accrued, or considered a right, nor is it wages, salary, compensation, or remuneration for work performed.

### 4. Use It or Lose It

- Employees are encouraged to use all allocated vacation days to maintain a healthy work/life balance.
- Our policy operates on a "use it or lose it" basis—unused vacation time does not carry over to the next calendar year.
- Unused vacation time is forfeited upon termination and is not subject to compensation or remuneration.

### 5. Vacation Time Reset

- Vacation time eligibility resets each calendar year, giving employees a fresh opportunity to plan and enjoy time away from work.

### 6. Request Procedure

- All vacation requests must be submitted at least 2 weeks in advance to ensure smooth operations and effective resource planning.
- Requests must be submitted to your immediate supervisor.

#### 7. Approval Discretion

- Vacation requests are subject to approval based on operational needs and team dynamics. While we strive to accommodate all requests, there may be times when vacation cannot be granted as requested.
- Consistent with vacation time being a gratuity, denied vacation time will not be subject to compensation or remuneration.

#### 8. Salary Team Members – Sick Days

- Salary team members must use vacation time for sick days to receive pay for the day out.

### 6.3 Vacation Policy – Field Services

At API Control Systems, Inc. (“API”), we believe in fostering a healthy work/life balance for our dedicated full-time field services employees. As a token of goodwill to eligible team members, we offer vacation time as a gratuity. This policy is designed to encourage you to take the time you need to relax, recharge, and make the most of your personal life. Please review the details below:

#### 1. Waiting Period

- Field services employees become eligible for vacation time after completing one full year of continuous service from the hire date. This ensures a smooth onboarding process and integration into our work environment.

#### 2. Vacation Time Details

- Vacation time is accumulated throughout the year based on continuous service, as determined by API in its discretion.
- Eligible field services employees will, as a gratuity, receive regular pay for approved vacation time used.
- Vacation time may only be used in increments of 4 or 8 hours and is limited to Monday through Friday.
- Field services employees accumulate up to 1 week of vacation time annually.
- After 5 years of service, employees accumulate up to 2 weeks annually.
- After 10 years of service, employees accumulate up to 3 weeks annually.

#### 3. Vacation Time as a Gratuity

- Vacation time is not mandated by law and is offered strictly as a gratuity.
- As a gratuity, vacation time is not earned, accrued, or considered a right, nor is it wages, salary, compensation, or remuneration for work performed.

#### 4. Use It or Lose It

- Employees are encouraged to use their allocated vacation time to maintain a healthy work/life balance.
- Our policy operates on a “use it or lose it” basis—unused vacation time does not carry over to the next calendar year.
- Unused vacation time is forfeited upon termination and is not subject to compensation or remuneration.

#### 5. Vacation Time Reset

- Vacation time eligibility resets each calendar year, giving employees a fresh opportunity to plan and enjoy time away from work.

#### 6. Request Procedure

- All vacation time requests must be submitted at least 2 weeks in advance to ensure smooth operations and effective resource management.
- Requests must be submitted to your immediate supervisor.

#### 7. Approval Discretion

- Vacation requests are subject to approval based on operational needs and team dynamics. While we strive to accommodate all requests, there may be times when vacation cannot be granted as requested.
  - Consistent with vacation time being a gratuity, denied vacation time will not be subject to compensation or remuneration.
8. Salary Team Members – Sick Days
- Salary team members must use vacation time for sick days to receive pay for the day out.

## Section 7 – Benefits

### 7.1 Holiday Eligibility Requirements/Days Observed/Clarifications

Employees classified as full-time, as defined in section 4.3, are eligible for holiday pay if they have been employed for 60 days and have performed 320 hours of service since their date of hire. Only those holidays mentioned below are considered paid holidays. API observes the following eight paid holidays: New Years, Memorial Day, Independence Day, Thanksgiving, Day after Thanksgiving, Christmas Eve, Christmas Day, and one floating holiday (options of Mardi Gras, Good Friday, and Labor Day). Observance of these holidays means (8) hours pay at employee’s regular hourly pay rate. Although these holidays are paid, such time off for these holidays may be rescinded if management deems necessary due to timing of projects. If an employee is required to work the holiday, the employee will receive (8) hours regular rate holiday pay in addition to their hours worked. Exempt employees are not eligible for additional pay if the holiday is worked.

### 7.2 Retirement Plan Benefits

Eligible employees may participate in the company’s 401(k) Plan with John Hancock. Full-time employees, as defined in section 4.3, with one year of service and a minimum age of 21 years, are eligible to participate. A 401(k)-enrollment packet is available upon request. Employees should consult Human Resources for more information.

### 7.3 Health and Dental Insurance Benefits

Full-time employees, as defined in section 4.3, who have met their 60-day waiting period, may participate in the company’s health insurance plan. Participation in API’s group health insurance benefit requires an employee contribution via payroll deduction for individual and dependent coverage. As an added benefit, employees may pay for some insurance premiums with pre-tax wages through our Section 125 Cafeteria Plan. A summary of benefits and details will be provided upon request.

While employees can expect to work at least 40+ hours during most weeks when classified as a full-time employee, there could be a period of time when there is no work, and the employee will not collect a paycheck. We expect that down time to be no longer than one month at a time. If the employee has elected to be covered by our company medical and/or dental coverage, he or she will need to make arrangements to pay their portion of the premiums for the pay periods that they do not collect a paycheck.

## Section 8 – Work Performance

### 8.1 Expectations

The company expects every employee to act in a professional manner. Satisfactory performance of job duties and responsibilities is key to this expectation. Employees should attempt to achieve their job objectives, and act with diligence and consideration at all times. Poor job performance can result in disciplinary action, up to and including termination.

### 8.2 Reviews

The company may periodically evaluate an employee's performance. The goal of a performance review is to identify areas where an employee excels and areas that need improvement. The company uses performance reviews as a tool to determine pay increases, promotions, and/or terminations.

All performance reviews are based on merit. Achievement and other factors may include, but are not limited to:

- Quality of work
- Attitude
- Knowledge of work
- Job skills
- Attendance and punctuality
- Teamwork and cooperation
- Compliance with company policy
- Past performance reviews
- Improvement
- Acceptance of responsibility and constructive feedback
- Safe work habits

Employees should note that a performance review does not guarantee a pay increase or promotion. Written performance evaluations may be made at any time to advise employees of unacceptable performance. Evaluations or any subsequent change in employment status, position or pay does not alter the employee's at will-relationship with the company. Forward any questions about performance expectation or evaluation to the supervisor conducting the evaluation.

### 8.3 Insubordination

Supervisors and employees should interact with mutual respect and common courtesy. Employees are expected to take instruction from supervisors or other persons of authority. Failure to comply with instructions or unreasonably delaying compliance is considered insubordination. Acts of insubordination are subject to disciplinary action, up to and including termination. If an employee disagrees with a supervisor, the employee should first try to mediate the situation by explaining their position. If possible, a compromise might be met and accusations of insubordination avoided.

## Section 9 – Discipline Policy

### 9.1 Grounds for Disciplinary Action

The company reserves the right to discipline and/or terminate any employee who violates company policies, practices or rules of conduct. Poor performance and misconduct are also grounds for discipline or termination.

The following actions are unacceptable and considered grounds for disciplinary action. This list is not comprehensive; rather, it is meant merely as an example of the types of conduct that this company does not tolerate. These actions include, but are not limited to:

#### Workplace Conduct:

- Engaging in acts of discrimination or harassment in the workplace
- Insubordination or refusal to comply with directives
- Disparaging or disrespecting supervisors and/or co-workers
- Lying

#### Property Violations:

- Unauthorized use of company property, equipment, devices, or assets
- Damage, destruction, or theft of company property
- Removing company property without prior authorization
- Disclosing confidential or proprietary company information without permission

#### Attendance/Performance:

- Failing to adequately perform job responsibilities
- Excessive or unexcused absenteeism or tardiness

#### Safety/Security:

- Possessing unauthorized weapons on premises
- Disregard for safety and security procedures
- Illegal or violent activity

#### Substance Use:

- Possessing, distributing, or being under the influence of controlled substances or alcohol at work

#### Documentation:

- Falsification, misrepresentation, or omission of information, documents, or records
- Falsifying injury reports or reasons for leave

#### Catch-all:

- Any other action or conduct that is inconsistent with company policies, procedures, standards, or expectations.

This list exhibits the types of actions or events that are subject to disciplinary action. It is not intended to indicate every act that could lead to disciplinary action. The company reserves the right to determine the severity and extent of any disciplinary action based on the circumstances of each case.

### 9.2 Procedures

Disciplinary action is any one of a number of options used to correct unacceptable behavior or actions. Discipline may take the form of oral warnings, written warnings, probation, suspension, demotion, discharge, removal, or some other disciplinary action in no particular order. The course of action will be determined by the company at its sole discretion as it deems appropriate.

### 9.3 Termination

Employment with the company is on an at-will basis and may be terminated voluntarily or involuntarily at any time. Upon termination, an employee is required:

- to turn in all reports and paperwork required to be completed by the employee when due and no later than the last day of work.

- to return all files, documents, equipment, keys, access cards, software or other property belonging to the company that are in the employee's possession, custody or control.
  - to turn in all passwords to his/her supervisor.
  - to participate in an exit interview as requested by management.
- Failure to comply with the above list may result in the withholding of an employee's final paycheck.

## **Section 10 – Health and Safety**

### 10.1 Workplace Safety

The company takes every reasonable precaution to ensure that employees have a safe working environment. Safety measures and rules are in place for the protection of all employees. Ultimately, it is the responsibility of each employee to assist in avoiding accidents. To ensure the continuation of a safe workplace, all employees should review and understand all provisions of the company's workplace safety policy. Employees should use all safety and protective equipment provided to them and maintain work areas in a safe and orderly manner, free from hazardous conditions. Employees who observe an unsafe practice or condition should report it to a supervisor or management immediately. Employees are prohibited from making threats against anyone in connection with his or her work or engaging in violent activities while in the employ of the company. Any questions regarding safety and safe practices should be directed to management and Human Resources.

In the event of an accident, employees must report every injury, regardless of how minor, to a supervisor immediately. Physical discomfort caused by repetitive tasks must also be reported. Employees should recognize any potential fire hazards and be aware of fire escape routes, fire drills, and fire extinguisher locations. Do not block fire exits, tamper with fire extinguishers, or otherwise create fire hazards.

### 10.2 Workplace Security

Employees must be alert and aware of any potential dangers to themselves or their coworkers. Take every precaution to ensure that the surrounding areas are safe and secure. Guard personal belongings and company property. Visitors should be escorted at all times. Report any suspicious activity to a supervisor immediately.

### 10.3 Emergency Procedures

In the event of an emergency, dial 911 immediately. If you see or hear a fire alarm or other emergency alert system, proceed quickly and calmly to the nearest exit. Once the building has been evacuated, only a supervisor may authorize employees to reenter.

### 10.4 Reference to Full Safety Policies

Specific safety policies and procedures for various tasks are located on the API server in the directory F:\Safety, as well as on a printout hanging on the wall in the shop break area.

## **Section 11 - Termination**

### 11.1 Voluntary Termination

The company recognizes that personal situations may arise which require a voluntary termination of employment. Should this occur, the company requests that the employee provide two weeks advance notice in writing. This request does not alter an employee's at-will relationship with the company. All rights and privileges of employment with the company terminate upon the date of

separation. As further discussed in Section 9.3, terminating employees are required to return all company property assigned to them. Failure to do so may result in the withholding of their final paycheck.

#### 11.2 Final Paycheck

Employees who terminate employment with the company will be given their final paycheck no later than 15 days after the employee's last day or the next regular payday, whichever comes first. Should the employee be unable to personally retrieve their paycheck, it will be mailed to the address on file.

#### 11.3 COBRA Continuation of Health Benefits

Under the federal Consolidated Omnibus Budget Reconciliation Act (COBRA), a qualified employee who terminates employment (for reasons other than gross misconduct) or loses health and dental coverage due to a reduction in work hours may temporarily continue group health and dental coverage for themselves, their spouse, and any covered dependent children at the full premium rate, plus up to a 2% administrative fee. This eligibility generally extends for a period of 18 months from the qualifying date. In certain circumstances, such as divorce, the death of the covered employee, or the employee becoming entitled to Medicare, dependents may be eligible for up to 36 months of coverage. Additionally, if the qualified beneficiary is disabled, they may be eligible for an 11-month extension of the 18-month period, totaling 29 months of coverage. For more information regarding COBRA health insurance benefits, consult Human Resources

#### 11.4 Exit Interview

The company may request an exit interview upon notice of termination. The purpose of the exit interview is to complete necessary forms, collect company property and discuss employment experiences with the company.



**Acknowledgement of Receipt for Employee Handbook**

I acknowledge that I have received a copy of the Employee Handbook. I understand that I am responsible for reading the information contained in the Handbook.

I understand that the handbook is intended to provide me with a general overview of the company's policies and procedures.

I acknowledge that nothing in this handbook is to be interpreted as a contract, expressed or implied, or an inducement for employment, nor does it guarantee my employment for any period of time.

I understand and accept that my employment with the company is at-will. I have the right to resign at any time with or without cause, just as the company may terminate my employment at any time with or without cause or notice, subject to applicable laws.

I understand that nothing in the handbook or in any oral or written statement alters the at-will relationship, except by written agreement signed by the employee and the CEO.

I acknowledge that the company may revise, suspend, revoke, terminate, change or remove, prospectively or retroactively, any of the policies or procedures outlined in this handbook or elsewhere, in whole or in part, with or without notice at any time, at the company's sole discretion.

I acknowledge that during the course of my employment with API Control Systems, Inc., I will be exposed to valuable, confidential and proprietary information of both the company and its customers. I agree to treat all confidential information as confidential during my employment and to take all necessary precautions against disclosure of such information to third parties during and after employment with API Control Systems, Inc. I will also refrain from using or disclosing the proprietary information of my former employer and acknowledge that I am not in possession of such information.

\_\_\_\_\_  
(Signature of Employee)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Company Representative)