



Employee Handbook

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1 INTRODUCTION

This Employee Handbook will acquaint you with Security Industry Specialists, Inc. (“SIS”) as a company and describe some of our personnel policies, practices, and employee benefits. Should you have any questions regarding SIS policies, practices, or benefits after reviewing this Handbook, please contact the SIS Human Resources Department at 800-201-3742.

This Handbook is intended only as a helpful guide and reference to you during your employment with SIS. As such, it sets forth only general guidelines. It is not an agreement or contract of employment, express or implied, or a promise of treatment in any particular manner in any given situation. SIS may, at any time and in its sole discretion, amend, change, discontinue, add, or vary from anything stated in this Handbook, except for the rights of the parties to terminate employment at will.

Your employment with SIS is a voluntary one and subject to termination by you or SIS at will, with or without cause, and with or without notice, at any time. Nothing in these policies shall be interpreted to be in conflict with or to eliminate or modify in any way the employment-at-will status of SIS employees. This policy of employment-at-will may not be modified by any officer or employee and shall not be modified in any publication or document. The only exception to this policy is a written employment agreement approved at the discretion of the Co-Presidents.

NOTHING IN THIS HANDBOOK IS INTENDED TO BE AN EXPRESS, IMPLIED, OR INFERRED CONTRACT OF EMPLOYMENT.

The policies and practices included in this Handbook may be subject to revision due to changes in applicable local, state and federal laws. Any provision of this Handbook that is, or becomes unlawful due to a change in the applicable jurisdiction’s law shall be void and unenforceable in that jurisdiction.

We operate in numerous states within the United States as well as in other countries. Federal, state, and local employment laws change with some frequency, either as a result of a judicial decision or new legislation or regulations. Although we seek to monitor the laws in all states where we have employees, our Handbook may not always reflect the very latest requirements, and this handbook may set forth different policies based on employment location in respect to state and/or local laws. We are, of course, committed to complying with all applicable laws. If you have specific questions, please contact our Human Resources Department.

This Handbook is updated periodically as SIS implements new policies or revises existing policies. SIS reserves the right to make changes to this Handbook, or to any company policy or benefit, without advance notice. The most up to date version of this Handbook can be found online at our website, www.sis.us. It is your responsibility to check the website for any updates, amendments and/or revisions. We will periodically provide notice of any updates to this Handbook on the personnel portion of our website.

Welcome to Security Industry Specialists, Inc.!

2 GENERAL POLICIES

2.1 EQUAL EMPLOYMENT OPPORTUNITY

SIS provides equal employment opportunities for all applicants and employees and complies fully with all applicable federal, state and local laws prohibiting discrimination in employment. SIS does not discriminate against any classification protected by federal, state, and local laws and ordinances. This policy applies to all areas of employment, including recruitment, hiring, training, promotion, harassment, training, compensation, benefits, transfer, or discharge, and to all other terms, conditions and privileges of employment.

At SIS we believe that mutual respect for one another will result in better teamwork and more shared success. We enthusiastically support the letter and the spirit of this Equal Employment Opportunity policy.

2.2 OPEN COMMUNICATION

All SIS supervisors should be receptive and responsive to all issues that are brought to their attention by any SIS employee. We believe that open and honest discussion between all employees is the most effective method of addressing matters that affect specialists, supervisors, and SIS management.

SIS values your input and your commitment. Any employee should feel free to raise, in good faith, issues of concern, without the fear of retaliation. Some of our best ideas come from our employees who are "On the Front Lines" of our business. We encourage you to bring your ideas, problems, or concerns to your supervisor for consideration and/or resolution.

While it is best to discuss problems or issues with your immediate supervisor, if necessary you may also directly contact the SIS Human Resources Department. While every problem cannot always be resolved to the complete satisfaction of everyone involved, SIS will make every effort to find an acceptable and fair resolution.

2.3 POLICY AGAINST HARASSMENT

SIS is committed to providing a workplace in which people are treated with dignity, decency, and respect: an environment free of harassment. SIS strongly disapproves of -- and will not tolerate -- harassment of our job applicants or employees by other employees, supervisors, vendors or clients. Through enforcement of this policy and by education of our employees, the company will seek to prevent, correct, and discipline behavior that violates this policy.

Harassment includes verbal, physical, or visual conduct that creates an intimidating, offensive, or hostile working environment, or that interferes with work performance. Such conduct constitutes harassment when: (1) submission to the conduct is made either an explicit or implicit condition of employment; (2) submission to or rejection of the conduct is used as the basis for an employment decision; or (3) the harassment interferes with an employee's work performance or creates an intimidating or offensive work environment.

Harassment can take many forms. It may include, but is not limited to: slurs, jokes, statements, gestures, pictures, cartoons, or physical contact by one individual with or toward another. Sexual harassment in particular may include all of these prohibited actions, as well as other unwelcome conduct such as requests for sexual favors, conversation containing sexual comments, and unwelcome sexual advances.

You should report any incident of harassment promptly to your supervisor or the SIS Human Resources Department. SIS has both male and female Human Resource Officers to ensure that any incident of harassment is handled promptly and as discretely as possible. You are not required to tell the harasser to stop before reporting the incident.

No hardship, loss, benefit, or penalty may be imposed on an employee in response to: filing or responding to a bona fide complaint of harassment, appearing as a witness in the investigation of a complaint, or serving as an investigator of a complaint. Retaliation or attempted retaliation in response to lodging a complaint or invoking the complaint process is a violation of this policy. Any person who is found to have violated this aspect of the policy will be subject to sanctions up to and including termination of employment.

SIS will courteously treat any person who invokes this complaint procedure, and the company will handle all complaints swiftly and confidentially to the extent possible in light of the need to take appropriate corrective action. Lodging a complaint will in no way be used against the employee or have an adverse impact on the individual's employment status. Because of the damaging nature of harassment to the victims and to the entire workforce, aggrieved employees are strongly urged to contact the SIS Human Resources Department. However, filing groundless or malicious complaints is an abuse of this policy and will be treated as a violation.

CONFIDENTIALITY

The employee assistance program (EAP) provides confidential counseling services to company employees. Individuals wishing to discuss an incident confidentially or seeking information and advice of a personal nature are encouraged to contact the EAP. The role of the EAP in such cases will be limited to personal counseling and treatment for the person who is then an EAP client. Contacting the EAP will not qualify as notification to SIS of a potential harassment or discrimination issue.

During the complaint process, the confidentiality of the information received, the privacy of the individuals involved and the wishes of the complaining person will be protected to as great a degree as is legally possible. The expressed wishes of the complaining person for confidentiality will be considered in the context of the company's legal obligation to act on the charge and the right of the charged party to obtain information. In most cases, however, the company will strictly maintain confidentiality and those involved in the investigation. In addition, any notes or documents written by or received by the person(s) conducting the investigation will be kept confidential to the extent possible and according to any existing state or federal law.

A member of SIS management who is not involved in the alleged harassment will fairly and impartially investigate every reported complaint of harassment. The matter will be treated in confidence to the extent feasible. SIS will not tolerate retaliation against any employee for making a complaint or for cooperating in an investigation.

Any employee who violates this policy on harassment, sexual or otherwise, will be subject to disciplinary action, up to and including termination of employment.

2.4 ALTERNATIVE DISPUTE RESOLUTION PROGRAM

In any organization, disputes occasionally arise. Sometimes these disputes must be resolved through a formal proceeding. Until recently, such proceedings often involved lawsuits and the court system.

Experience has shown, however, that lawsuits are an exceedingly costly and time-consuming way to resolve disputes. Resort to the courts often leaves both parties unhappy with the results. To address these problems, SIS has established an Alternative Dispute Resolution ("ADR") Program to resolve disputes.

The SIS Mutual Agreement to Arbitrate Claims, and its procedures, is set forth in the separate agreement that was presented to you with the SIS employment application for your review and signature. These ADR procedures ensure that all parties have an opportunity to see if there is a mutually satisfactory basis for resolving any dispute that might arise relating to your employment. If the parties fail to reach an amicable resolution, these procedures provide for a hearing before a neutral arbitrator who has been selected by both sides. The arbitrator will have full authority to resolve the matter, and the arbitrator's decision will be binding on both sides.

We hope that you will never need to utilize these ADR procedures, and that your employment will be free of any disputes. But in the event a dispute should arise, these ADR procedures will ensure that the dispute is resolved in a timely, cost-effective and fair manner.

3 EMPLOYMENT POLICIES

3.1 ACCESS TO PERSONNEL FILES

You have access to your own personnel files via the SIS online portal. Personnel records may be sent to you upon request via the email that you have on file with SIS.

Medical information provided by or about an employee will be maintained in a separate electronic file. The SIS Human Resources Officers will control access to medical files.

As a matter of policy, SIS normally refuses to release personnel information to third parties unless the employee provides written authorization. If SIS is served with a subpoena or other legal process, it will make an effort, if possible, to give an employee whose records are sought the opportunity to contest the subpoena before turning over the requested information.

3.2 ATTENDANCE POLICY

The success of SIS depends on the regular attendance of each employee. Reporting for work on time and completing assigned shifts are basic job requirements for every SIS employee.

Employees who are inconsistent in their attendance demonstrate a lack of respect for their fellow employees and the service commitments we have made to our clients.

If you cannot work a scheduled shift because of illness, injury or emergency, you must contact your supervisor or a member the SIS management at least twenty-four (24) hours prior to the scheduled start of the shift, or as soon as is reasonably practical under the circumstances.

If your immediate supervisor is unavailable, you must speak directly with another supervisor or a senior manager. Leaving a voicemail or asking another employee to pass the information along is unacceptable.

REGULAR AND PROMPT ATTENDANCE IS A REQUIREMENT FOR CONTINUED EMPLOYMENT AT SIS. Repeated absences and/or tardiness can result in disciplinary action, up to and including termination.

3.3 COMPENSATION

3.3.1 Pay Periods

SIS has one Pay Period per week. Employees are paid weekly, every Friday, for the previous workweek. The SIS workweek starts at 12:01 a.m. each Sunday morning and concludes at midnight the following Saturday night. If a regular payday falls on a national holiday, employees will be paid on the preceding business day.

Employees are encouraged to enroll in our Direct Deposit program. If employees are not enrolled, paychecks are mailed to an employee's last known address.

3.3.2 Pay Rates

Pay rates are governed by many variables and frequently are impacted by individual client contracts. Pay rates are subject to change depending upon the current client contract, an employee's assignment, an employee's performance and/or experience, and SIS's assessment of need.

3.3.3 Workday/Workweek

The SIS Workday starts at 12:01 a.m. and concludes at midnight each day.

The SIS Workweek starts at 12:01 a.m. each Sunday morning and concludes at midnight the following Saturday night.

3.3.4 Meal Periods

SIS employees are afforded meal and rest breaks during their workday in accordance with state and local regulations based on work location.

3.3.5 Expense Reimbursement

SIS employees will be reimbursed for legitimate on-the-job expenses only if prior written approval for the expense is obtained from their supervisor (“Pre-Approved”). Requests for reimbursements must be submitted no more than 30 days after the expense is incurred. No reimbursement will be made after this 30-day period. SIS will pay for Pre-Approved travel or other Pre-Approved expenses related to special duties or assignments.

3.3.6 Pay Discrepancies

If you ever think there has been a discrepancy in your pay, immediately report the discrepancy to your supervisor.

3.3.7 Garnishments

SIS seeks to avoid incurring the administrative costs of garnishments and wage assignments on employees. Therefore, SIS encourages all employees to meet their financial obligations without involving SIS. SIS will adhere to legally imposed wage assignments and garnishments and will not modify the terms of those legal arrangements unless ordered or relieved by a court. SIS will deduct the administrative costs of complying with wage assignments and garnishments orders, up to the amount allowed by law.

3.3.8 Timekeeping Requirements

SIS employees are required to record their time, either on a swipe card, through an internet-enabled device, through telephone contact with a central location, by written record, or as otherwise instructed by their supervisors. All employees must record the beginning and ending time of each shift, as well as the beginning time of their lunch periods.

If manual timesheets are used, your signature is required. In states where it is legal, an electronic signature may suffice.

3.3.8.1 The following policies regarding timekeeping apply to all SIS employees:

- 3.3.8.1.1 You may not clock-in more than five (5) minutes before or after your scheduled shift without prior approval from your supervisor.
- 3.3.8.1.2 You will be considered tardy if you clock-in one (1) minute after your scheduled shift.
- 3.3.8.1.3 You may never call in or otherwise clock-in for another employee.
- 3.3.8.1.4 You must clock in at the correct reporting time and location.
- 3.3.8.1.5 ANY INTENTIONAL FALSIFICATION OF YOUR WORK TIME WILL RESULT IN IMMEDIATE TERMINATION.

Timekeeping records will be reviewed and approved by your supervisor. Any errors in time recording must be immediately reported to your supervisor.

3.3.9 Overtime

Unless extraordinary personal difficulties prevent you from working overtime as requested by your supervisor, you will be expected to be available to perform required overtime work.

All overtime work must be approved by your supervisor. SIS pays overtime in accordance with applicable state and federal law. SIS rounds time worked to the nearest 15 minute increment and pays for time worked accordingly.

3.3.10 Work Schedules

Your supervisor will review your work schedule with you.

Various factors such as workload, operational changes, and staffing needs may require you to work a schedule that is different from your normal schedule. SIS reserves the right to assign employees to any job, client, location or schedule that is required by business needs.

Employees may not trade shifts or work any hours or schedules that have not been specifically approved in advance by their supervisor.

3.4 CLASSIFICATION OF EMPLOYEES

3.4.1 Full-Time

SIS employees are considered Full-Time employees if their employment is for an undefined term and they work 65 hours or more during a Pay Period (as defined above). All salaried employees are considered Full-Time employees unless their employment is for a finite term. For hourly employees, 65 hours worked in a Pay Period are considered Full-Time Hours and are the minimum necessary to qualify as a Full-Time employee. Full-Time employees are eligible for the employee benefits as described in this Handbook. Further, employees who are either characterized as Full-Time or qualify under the Affordable Care Act guidelines are eligible for employee health benefits described in this Handbook.

3.4.2 Part-Time

SIS employees are considered Part-Time employees if their employment is for an undefined term and they work less than 65 hours or more during a Pay Period. Except as to qualification under the Affordable Care Act guidelines, Part-Time employees are not eligible for the employee health benefits described in this Handbook, and may be ineligible for other benefits.

3.4.3 Temporary

SIS employees are considered to be Temporary employees if their employment is for a fixed, finite or defined period (e.g., for the three week duration of a special event), or if they do not maintain a regular work schedule and are scheduled only on an if-needed, as-needed basis. Except as to qualification under the Affordable Care Act guidelines, Temporary employees are not eligible for the employee health benefits described in this Handbook, and are not eligible for the other employee benefits described in this Handbook.

3.5 CERTIFICATION, LICENSING, AND TRAINING

3.5.1 SIS Training and Standards

Each SIS client, location and assignment has unique security needs and requires specialized knowledge and training to fill those needs. In addition to the extensive printed, audio-visual and interactive SIS training curricula, SIS employs licensed, specialized and expert instructors to tailor employee training and professional development to ensure both that our clients' individual requirements are satisfied, and that our employees' continue to advance their skills, knowledge and professional experience to further our goal of a uniquely qualified, flexible and adaptable security services team prepared to meet all modern security challenges.

3.5.2 Mandatory State License Requirements

In addition to SIS mandatory and site-specific training, the security profession is regulated by federal, state and local laws. Each state in which SIS operates has its own rules and regulations, and many states have their own licensing, training and certification for private security guards such as SIS Specialists.

A Specialist must remain in good standing with his or her state's licensing and regulatory authorities to continue working as a security guard at SIS. This means that each Specialist must timely complete any state mandated training, renewal, or other certification requirements to ensure compliance with state law.

SIS will not deploy a Specialist unless the Specialist has met the necessary licensing, certification and/or training requirements in the state in which the Specialist is to be deployed. Further, the failure of a Specialist or other SIS employee to maintain his/her state-required license or certification, or the revocation, suspension, or expiration of that license or certification, is grounds for the employee's immediate suspension or discharge (as set forth below).

Some states have set ongoing training requirements that must be completed before and/or while an individual works as a security guard. SIS, at its discretion, may facilitate employee training designed to cover these ongoing training requirements, and will monitor each employee's compliance with the various states' requirements. Unless legally required, wages generally are not paid by SIS for time spent fulfilling these state training requirements, and employees are typically required to pay a separate fee for this training.

IT IS YOUR RESPONSIBILITY TO COMPLETE ALL TRAINING AND OTHER LICENSE REQUIREMENTS NECESSARY TO MAINTAIN YOUR LICENSE IN GOOD STANDING ON YOUR OWN TIME.

3.6 EMPLOYMENT OF RELATIVES

Relatives of employees may be eligible for employment at SIS, but only if the potential employees do not work in a direct supervisory relationship, or in job positions in which a conflict or interest could arise. Also, the related employee must be the best-qualified candidate for the position involved.

"Relatives" include, but are not necessarily limited to spouses, children, siblings, parents, in-laws and step-relatives. Current employees who marry will be permitted to continue working in their existing positions only if they do not work in a direct supervisory relationship with one another, or if they work in job positions in which a conflict of interest would not arise.

It is each SIS employee's responsibility to notify his/her supervisor if a relative is applying for employment with SIS, or works for a client of SIS, or at a location for which SIS provides services.

3.7 EMPLOYMENT WITH CLIENTS

SIS's clients may require that SIS agree not to accept employment applications from any member of the client's current workforce. In turn SIS's clients may agree not to hire or accept employment applications from current SIS employees. To comply with these agreements, SIS employees may not discuss employment opportunities, apply for work, or accept employment, with any SIS client, unless permission to do so is sought and obtained from SIS in advance.

3.8 POLICY FOR RELIGIOUS ACCOMODATIONS

SIS respects the religious beliefs and practices of all employees and is committed to providing equal employment opportunities to all individuals, regardless of their religious beliefs and practices. Consistent with this commitment, SIS will provide a reasonable accommodation of an applicant's or employee's sincerely held religious belief if the accommodation would resolve a conflict between the individual's religious beliefs or practices and a work requirement, unless doing so would create an undue hardship for SIS.

If you believe an accommodation is needed due to your religious beliefs or practices, you are responsible for requesting an accommodation from your supervisor, manager, or the Human Resources department. The request should be submitted in writing, and detail all relevant information including, a description of the accommodation, the reason for the accommodation, and an explanation of how the requested accommodation will help to resolve the conflict between your religious beliefs or practices and one or more of your work requirements.

After receiving your written request, SIS leadership may engage in a dialogue with you to explore potential reasonable accommodations that could resolve the conflict between your religious beliefs and practices and one or more of your work requirements. SIS encourages you to suggest specific reasonable accommodations that you believe would resolve any such conflict. However, SIS is not required to make the specific accommodation requested by you and may provide an alternative, effective accommodation, to the extent any accommodation can be made without imposing an undue hardship on SIS.

Your supervisor, manager, or the HR department may ask you to provide additional information about your religious practices or beliefs and the accommodation requested. If you fail to provide the requested information, your request for an accommodation may be denied. SIS makes determinations about religious accommodations on a case-by-case basis considering various factors and based on an individualized assessment in each situation.

SIS strives to make determinations on religious accommodation requests expeditiously, and will inform the individual once a determination has been made. If you have any questions about an accommodation request you made, please contact the Human Resources department.

3.9 PERFORMANCE EVALUATIONS

SIS takes great pride in employing the best Specialists in the industry. One way we keep the best employees is by completing performance evaluations every six months for all Full-Time Specialists.

Pay raises are not automatic. They are based on merit, and they are frequently and further impacted by our contracts with clients. In order to qualify for advancement and compensation increases, you must perform according to SIS's professional standards and score well in the "THREE A's":

- **ATTITUDE:** You must come to work with a terrific attitude, be willing to go beyond the call of duty, and be a supportive team member.
- **APPEARANCE:** You must come to work properly dressed and meet all grooming standards.
- **ATTENDANCE:** You must be on time, complete each of your scheduled shifts and follow all other SIS attendance policies.

You also must meet or exceed performance standards that relate to your job duties as described in the Post Orders or other instructions for your position. Finally, fulfilling training requirements and additional commendations will be considered during reviews.

Where possible, Full-time Specialists will meet with their supervisor approximately every six (6) months to discuss the Specialist's performance evaluation. We encourage you to take this opportunity to discuss ways to improve your personal performance as well as the overall work being done by your team.

Performance evaluations are completed in writing by your supervisor and reviewed by SIS's management. You will be asked to acknowledge your performance evaluation. SIS will maintain an electronic copy of each evaluation in your personnel file.

3.10 DISCIPLINE

SIS is committed to assisting all Specialists in the successful performance of their jobs. This assistance may include training, performance evaluations, counseling and, if necessary, discipline to address failures to meet job performance standards. If job performance does not improve to a level that meets or exceeds SIS standards, an employee may be discharged from employment with SIS.

Where it is necessary, one goal of discipline is to help an employee become aware of his/her failure to meet performance standards, or failure to comply with SIS policies, procedures or Post Orders, before this failure has an adverse effect on our client relationships or a Specialist's employment with SIS. Depending on the nature of the performance problem or policy violation, SIS may take some or all of the following actions, at its sole discretion:

- Courtesy warning
- Written warning
- Suspension
- Termination of employment

SIS reserves the right to decide when and what discipline is appropriate. Some violations, actions or failures to perform job duties will result in an immediate suspension or termination of employment. SIS will address incidents requiring disciplinary action on a case-by-case basis. SIS reserves the right to impose whatever form of discipline it chooses, or none at all, in a particular instance. Nothing in this section should be understood as a promise of specific treatment or progressive discipline in a given situation, or a modification of the SIS "At-Will" employment policy.

3.11 TERMINATION OF EMPLOYMENT

3.11.1 Voluntary Resignation

A voluntary resignation is when you notify your supervisor or SIS management of your intention to end your employment relationship with SIS. Under these circumstances, we request that you give SIS two weeks notice of your intent to leave the Company. Failure to give adequate notice of your resignation may disqualify you from future employment with SIS.

In some cases, it may not be necessary or appropriate for an employee who has resigned to continue to work through the notice period. SIS reserves the right to advance the separation date for any employee who has given notice of resignation.

3.11.1.1 SIS will treat an employee as having abandoned his/her job, and thus voluntarily ended the employment relationship with SIS, under one or more of the following circumstances:

- 3.11.1.1.1 Failure to report for work on one or more occasions without contacting a supervisor or SIS management.
- 3.11.1.1.2 Failure to return to work as scheduled from a leave of absence.
- 3.11.1.1.3 Failure to complete any shift as scheduled, unless relieved of duty by a supervisor.

- 3.11.1.1.4 Failure to return telephone calls or other communications from a supervisor or scheduler who is attempting to schedule a work assignment.
- 3.11.1.1.5 Repeated refusal to accept offered shifts.
- 3.11.1.1.6 Failure to accept work/shifts during periods of stated availability.

3.11.2 Discharge

Certain acts and policy violations -- including any violation of the SIS Rules of Conduct -- of a more serious nature may result in immediate discharge from employment at SIS.

SIS will address these violations on a case-by-case basis. Pursuant to SIS's At-Will employment policy, SIS reserves the right to impose whatever form of discipline it chooses, or none at all, in a particular instance. Nothing in this Handbook should be construed as a promise of specific treatment in a given situation. Your employment remains At-Will at all times. This policy of employment-at-will may not be modified by any officer or employee and shall not be modified in any publication or document. The only exception to this policy is a written employment agreement approved at the discretion of the Co-Presidents.

3.11.3 Reduction In Force

SIS intends to continue to grow and provide employment opportunities. Nonetheless, business conditions, client demand, and other factors are unpredictable. Changes or downturns in any of these factors or other situations could create a need to restructure or reduce the number of people SIS employs. In light of these uncertainties, please be advised that it may become necessary for SIS to conduct layoffs at some point during your employment.

In the event that SIS determines to lay off any employees, SIS retains full discretion to select which employees will be laid off, regardless of seniority, tenure, past job performance, or any other factors.

3.12 SEPARATION PROCEDURES

SIS complies with state and local laws pertaining to payment of all wages, salaries, or other compensation for labor due at time of separation.

3.13 REFERENCES

All requests for employment references or verifications must be directed to the SIS Human Resources Department. No other SIS manager or employee is authorized to provide employment references or verifications for current or former SIS employees.

3.14 UNIFORM RETURN AGREEMENT

When your employment with SIS ends you are required to immediately return all SIS uniforms and equipment. Failure to do so will result in a charge and/or an obligation to repay the costs of replacing those uniforms and equipment as provided in the Uniform Agreement you signed before you received those uniforms and/or equipment. The Uniform Agreement is your commitment to abide by this uniform return policy as a condition of your employment with SIS.

SIS and its clients have legitimate grounds for requesting timely return of issued uniforms and equipment for safety and security reasons. Any unauthorized use of the uniforms that are issued – with SIS or SIS client logos and/or insignia – for any purpose other than SIS employment, is a violation of both state and federal civil and criminal trademark laws, including the federal Lanham Act, 15 U.S.C. 1051 et. seq., and will be dealt with accordingly.

4 STANDARDS OF CONDUCT

4.1 CONFIDENTIALITY

Each SIS employee is responsible for safeguarding confidential information obtained in connection with his/her employment with SIS. This includes information relating to SIS's security operations, client lists, products and services and the security requirements of clients and prospective clients, or any other business or proprietary information related to the Company's business. It is your responsibility not to reveal or divulge any such information, absent express authorization by your supervisor or a member of SIS management. When in doubt, you should assume that any information learned about SIS's operations or our clients or prospective clients, which are not readily available to the public during the course of your employment, should be treated as confidential information and not revealed to anyone. Nothing in this section prohibits you from discussing terms and conditions of your employment with other employees, attorneys or government agencies.

SIS requires each new employee to sign a written Confidentiality Agreement as a condition of his/her employment. This Agreement is maintained with your permanent personnel records. If a client requires, or if you seek or are requested to transfer to a new client site, you may be required to sign a new Confidentiality Agreement and/or Non-Disclosure Agreement and/or undergo an additional background check. Your refusal to so agree may prevent any transfer, reassignment, and/or continued employment.

SIS also requires that each new employee agree, in writing, that his/her employment with SIS will not result in any breach of a confidentiality or employment agreement with any prior employer. This agreement is included in SIS's Conflict of Interest Agreement, which is described below.

4.2 CONFLICT OF INTEREST AND PROPRIETARY INFORMATION

To maintain the highest standards of ethics and conduct, it is imperative that all SIS employees avoid conflicts of interest. A conflict of interest is a situation where the employee's private interests or outside economic interests interfere with the employee's duties and responsibilities to SIS or its clients.

This policy prohibits any SIS employee from accepting simultaneous employment with any company that does business or competes with SIS. This policy also prohibits accepting employment with any other company if that employment would interfere with the SIS employee's work schedule or duties with SIS. SIS employees also are prohibited from owning, or from simultaneously working as an employee, independent contractor or agent of, any company within the security or guard industry.

4.2.1.1 Additionally, SIS does not permit employees to:

- 4.2.1.1.1 Accept any gratuity, including money, gifts, tickets, and/or other property, from clients or other employees. Gratuities may not be suggested, implied or in any other way solicited.
- 4.2.1.1.2 Solicit or accept, directly or indirectly, any gifts, tickets, money or other property from vendors that service SIS, its clients (regardless of whether the vendor is affiliated with SIS), or from suppliers for clients.
- 4.2.1.1.3 Have an interest in any enterprise that has or is seeking to establish business relations with SIS.

- 4.2.1.1.4 Use or disclose to any person, firm, corporation or other entity any proprietary information, technique, process, internal documents, records, revenue information, financial information, customer lists, business strategies, or trade secret or confidential information, relating to the services or business of SIS. (Any such action also would violate SIS's Confidentiality Policy.)
- 4.2.1.1.5 Engage in other activities or practices that create a conflict of interest or give the appearance of a conflict of interest.
- 4.2.1.1.6 Each SIS employee has the responsibility to report any potential conflict of interest to his/her supervisor, or to an SIS Human Resource Officer.
- 4.2.1.1.7 Violations of this policy may result in disciplinary action up to and including termination of employment.

4.3 DRUG AND ALCOHOL ABUSE

SIS has a zero-tolerance, drug-free workplace policy that strictly prohibits the unlawful manufacture, distribution, dispensation, possession, use, or being under the influence of any controlled substance in the workplace. Employees who violate this policy will be subject to disciplinary action, up to and including immediate termination. SIS also may be obligated to report such a violation to law enforcement authorities or regulatory agencies.

Illegal drug use in the workplace creates dangers for SIS employees, for clients, and for client customers and others. SIS has a substantial interest in workplace safety, accident prevention, productivity, efficiency, and the quality of service it provides. In addition, SIS may be exposed to liability if employee drug or alcohol use creates risks to you, your co-workers, SIS clients, or member of the general public.

"Controlled substances" and "drugs" include drugs that are not legally obtainable, including, but not limited to, marijuana, cocaine (including "crack" and other cocaine derivatives), morphine, heroin, amphetamines, barbiturates, and alcohol. Also included are drugs that are legally obtainable, but are used for illegal purposes and/or without a valid prescription. To be considered "legally obtainable," a controlled substance must be legal under both state and federal law. At this time, marijuana is not legal under federal law.

Controlled substances used in accordance with valid prescription are not included. However, an employee using prescription medication may not work if it would be unsafe to do so. You must notify your supervisor if you are using any drug that might affect your ability to work safely.

All employees are prohibited from being under the influence of alcohol while on duty. Use or possession of alcohol while on duty is prohibited and is violation of this policy.

4.3.1.1 SIS's commitment to a drug-free workplace encompasses conduct and activities that occur:

- 4.3.1.1.1 While on SIS premises or at any jobsite or location covered by an SIS contract, while you are on duty.
- 4.3.1.1.2 Off company or contract premises, but while you are on duty.
- 4.3.1.1.3 While you are operating or aiding in the operation of a vehicle or potentially dangerous equipment owned or leased by SIS.
- 4.3.1.1.4 While you are on duty on SIS business, even if away from home.
- 4.3.1.1.5 While you are off duty if the use involves a controlled substance or drugs, as specified above.

In order to enforce this policy, SIS reserves the right to conduct searches of SIS property or employees and/or their personal property, and to implement other measures necessary to deter and detect violations of this policy.

An employee's criminal conviction of an offense based on the sale, possession or use of any controlled substance can result in termination of employment. Such conduct, even though off duty, reflects adversely on SIS.

All new employees are required to agree to the terms of SIS's Drug-Free Workplace Policy as a condition of employment. Your signed acknowledgment of this Policy will be maintained in your personnel file.

All SIS employees, and all applicants for employment, agree to submit to any pre-employment and/or subsequent random drug testing requested by SIS management. All SIS employees also agree that, if such drug testing reveals the use of any controlled substance, illegal drugs or alcohol in violation of SIS policies, this will be grounds for the immediate termination of employment.

4.3.2 Drug Treatment and Rehabilitation

SIS will attempt, where reasonably possible, to accommodate employees with chemical dependencies (alcohol or drug) who seek appropriate treatment or rehabilitation. Employees desiring such assistance should request a treatment or rehabilitation leave. SIS is not obligated, however, to continue to employ any person whose performance of essential job duties is impaired because of drug or alcohol use. SIS also is not obligated to re-employ any person who has participated in treatment and/or rehabilitation if that person's job performance remains impaired due to such dependency.

This policy on treatment and rehabilitation is not intended to limit SIS's right to discipline and/or terminate employees who violate the prohibitions on illegal drug and alcohol use described above. Rehabilitation is an option only for an employee who acknowledges a chemical dependence and voluntarily seeks treatment to end that dependency.

4.4 JOB DUTIES AND STANDARDS

4.4.1 Credentials

As noted above, each SIS employee working as a Specialist or Off-Duty Officer must possess appropriate and valid credentials as required by any local, state or governmental agency in the jurisdiction the work will be performed. These credentials must be current and available for examination whenever you are on duty. As a security professional, it is your obligation to be aware of the specific requirements regarding this policy for your position.

4.4.2 Client Relations/Customer Service

An SIS client includes any company, business, entity, or individual with whom SIS has a contract to provide security services or for whom a contract requires SIS to render services. All employees of a client also are considered to be SIS clients and should be treated with courtesy and respect at all times.

At SIS we go out of our way to be helpful to clients at all times. Your supervisor will supply specific Post Orders or other instructions that describe your duties at a particular jobsite or position. In addition to these specific instructions, being helpful and courteous is always required. Each Specialist should take the initiative to think of new ideas and new ways to create a more satisfied client. Share your ideas with your supervisor and work hard to make SIS better than other security firms.

Always inform your supervisor about any issues or developments, either positive or negative, which may arise between you and a client. SIS spends a great deal of its resources to create the most positive relationship possible between our clients and our employees. Your honest communication in this area is imperative.

4.4.3 Eating and Smoking While on Duty

Eating is never permitted while on-duty or at any SIS post, except when permitted during an authorized, paid, on-duty meal period. Employees must take breaks and meal periods as provided by law. All food consumption must take place during breaks and meal periods. Chewing gum is not allowed while on-duty at any SIS post.

Smoking is prohibited throughout all SIS facilities, on all SIS posts, and while on-duty at any client facility. Also prohibited is the use of any tobacco product, including, but not limited to, chewing tobacco and snuff. Client premises and other job sites may have specifically designated smoking areas outside of buildings, away from entrances and exits, where smoking is permitted. It is the responsibility of the smoker to be aware of these restrictions and areas, and to respect the rights of non-smokers.

If you must smoke, do so only on break and meal periods, in areas designated by the client or your SIS supervisor, and while smoking you must cover up any client logos on your uniform.

4.4.4 Personal Relationships Between Employees

SIS employees are to refrain from activities of a personal nature while on duty. Activities that detract from an employee's duties and responsibilities do not support the mission of SIS and are not permitted. A personal relationship is defined as a consensual, intimate relationship between two employees that may or may not involve sexual relations, but is beyond that of a friendship.

Our company has a policy prohibiting sexual harassment in the workplace. This policy applies to all employees of the Company, including supervisors, managers, and executives. This extends to relationships with a competitor, client, and/or vendor, or those of SIS clients working at the same location. While the Company does not encourage co-employee dating or entering into consensual social relationships with other employees, the Company cautions employees not to let such fraternization affect their job performance. The Company allows fraternization provided: both parties mutually and voluntarily consent to the social relationship; the relationship does not breach corporate values; the relationship does not involve employees in a superior-subordinate relationship; and the relationship does not affect judgment or performance of duties of involved employees or negatively impact the common good of the Company. A superior-subordinate relationship exists where one party has the ability to influence, directly or indirectly, the terms or conditions of employment of the other party or parties in the relationship, such as when one party has any actual or potential input on promotion, advancement, discipline, scheduling, or transfer of the other party or parties in the relationship.

Employees are expected to maintain a professional and business-like attitude at all times towards fellow SIS employees and towards our clients and their customers, vendors, and/or guests. Employees found in violation of this policy will be subject to disciplinary action up to and including termination. The Company reserves the right to make decisions in the best interest of the organization including reassignment, transfer, or separating employees where appropriate.

4.4.5 Personal Telephone Calls

Personal telephone calls are not allowed while on-duty. In cases of emergencies, SIS employees will be given messages or be allowed to use the telephone for personal calls. Use of personal mobile phones while on duty is prohibited, except in emergencies. Violations of this policy will result in discipline, up to and including termination of employment.

4.4.6 Personal Visitors While On Duty / Personal Visits While Off Duty

Personal visitors (such as children, friends, family members) are never allowed on client premises while you are on duty. Further, absent SIS and/or client consent, personal visits to SIS locations while you are off duty are not permitted. These personal distractions create a lack of focus and will not be allowed.

4.4.7 General Uniforms, Grooming, Identification for Client Locations and while on Post

SIS maintains general uniform, grooming and identification standards. These standards may be displaced and overridden by standards in effect at a particular location to which you are assigned. Accordingly, it is every Specialist's responsibility to check with his or her supervisor to determine whether any local or client-specific uniform, grooming or identification standards exist for a particular location. Unless contradicted by such local policies, the following are SIS's uniform, grooming and identification policies for uniformed employees:

4.4.7.1 Uniforms

- 4.4.7.1.1 Wear clean, wrinkle-free SIS-issued uniforms while on duty. SIS-issued uniforms do not require ironing. They are purchased and intended to be wrinkle-free when they are allowed to drip dry, or as the result of being tumble dried as long as they are removed promptly from an automatic dryer. At those few locations where ironing or professional maintenance is required, SIS will contract with a local cleaning service to maintain these types of uniforms at no cost to employees. Employees at such locations are required to use the SIS-designated cleaning service for their SIS-issued uniforms to the extent ironing or other professional maintenance is required.
- 4.4.7.1.2 Any jackets, sweaters and coats worn while on duty must be issued by SIS or approved by a supervisor.
- 4.4.7.1.3 Wear black, scuff-free shoes while on duty.
- 4.4.7.1.4 Wear black socks while on duty.
- 4.4.7.1.5 Wear white t-shirts with no logos or graphics under your SIS outer uniform.

4.4.7.2 Grooming

- 4.4.7.2.1 Ornamentation. Do not wear any type of visible body ornamentation including, but not limited to earrings, nose studs, nose or eyebrow rings, tongue studs or rings, lip studs or rings, non-medical alert necklaces, bracelets, or large, conspicuous rings. Jewelry or personal ornaments shall not be affixed to any part of the uniform or equipment.
 - 4.4.7.2.1.1 Ornamentation – Female Employees. Female employees may wear a single matched pair of earrings, one earring on each earlobe. The earrings shall be professional and businesslike in appearance. Female employees may wear one ring on each hand (engagement and wedding ring when worn on the same finger count as one ring), a wristwatch, a necklace and bracelet, a religious ornament, a Police or Military “Killed In The Line of Duty” remembrance bracelet and a medical alert necklace and/or bracelet, so long as these items are not unduly distracting or offensive. Fingernails are to be kept neat, clean, and well-groomed at all times. The length of the fingernails shall be moderate and should not interfere with job performance or safety; polish, if applied, should be subtle and modest.
 - 4.4.7.2.1.2 Ornamentation – Male Employees. Male employees may wear one ring on each hand, a wristwatch, a necklace and bracelet, a religious ornament, a Police or Military “Killed In The Line of Duty” remembrance bracelet and a medical alert necklace and/or bracelet, so long as these items are not unduly distracting or offensive. Fingernails are to be kept neat, clean, and well-groomed at all times.

4.4.7.2.2 Facial Hair

- 4.4.7.2.2.1.1 Sideburns. Sideburns shall not extend beyond a point even with the bottom of the ear lobe and shall extend in a clean-shaven, horizontal line. The flare (terminal portion of the sideburn) shall not exceed the width of the main portion of the sideburn by more than one fourth of the unflared width. Sideburns shall be trimmed and neat in appearance.
- 4.4.7.2.2.1.2 Mustaches. Male employees may wear a short and neatly trimmed mustache of natural color. Mustaches shall not extend below the vermillion of the upper lip or below the corners of the mouth and may not extend to the side more than one half inch beyond the corners of the mouth.
- 4.4.7.2.2.1.3 Beards. Employees shall be clean-shaven when reporting for duty. Beards shall be permitted only when required by the nature of the assignment or for a bona fide medical condition. To request a medical exemption to wear a beard, the employee shall provide the supervisor with the following:
 - A. A doctor's note from the employee's personal physician stating the employee needs medical exemption from shaving; and
 - B. A completed Authorization for Release of Medical Information.

The employee's supervisor shall forward the doctor's note and the completed Authorization for Release of Medical Information to SIS's HR Department.

SIS employees who have received a medical exemption that precludes them from shaving, have been accommodated by SIS, and do not have any duty-related restrictions, may be used in a full-duty uniformed capacity. The employee's beard shall be neatly trimmed and not longer than one-quarter inch in length.

- 4.4.7.2.3 Hair. Employees shall maintain their hair in a neat, clean, and well-groomed manner to reflect a professional and businesslike appearance. Unacceptable hair styles include, but are not limited to, a design(s) sculpted into the hair or wearing long hair over a shaved (to scalp) portion of the head. Dyeing or highlighting the hair is acceptable provided it is consistent with a natural hair color, without obvious blocks, patterns or spots of color.
 - 4.4.7.2.3.1.1 Hair – Male Employees. Male employees shall maintain their hair properly trimmed and at least moderately tapered. The hair shall not extend below the top of the shirt collar, cover any portion of the ear, and shall not interfere with the employee's vision. Male employees shall not wear hair ornamentation.
 - 4.4.7.2.3.1.2 Hair – Female Employees. Female employees shall arrange their hair so it does not extend below the bottom edge of the shirt collar. It shall not interfere with the employee's vision and shall not be arranged in a way that would be advantageous for a suspect to grab, such as in a ponytail. Inconspicuous hair-control devices such as cloth-covered rubber bands (not to exceed one-quarter inch in diameter) and plain hairpins or clips may be used to comply with SIS standards. Hair-control devices shall either be black or consistent with the employee's hair color and shall in no way detract from an employee's uniform appearance.

- 4.4.7.2.3.2 Sunglasses. Prescription and non-prescription sunglasses worn by employees shall be conservative in style and professional in appearance. Plastic or composite frames shall be a dark color and free of ornamentation. The temple width shall be no wider than one-half inch and in no case obstruct the peripheral vision. Wire frames are acceptable in either black, gold, or silver color. The lenses shall be dark shades of gray, green, or brown. Gradient (light sensitive) lenses are acceptable; however, the lenses must return to a neutral color when not in sunlight. Designer lenses of color such as pink, blue, and yellow are not acceptable. Silver-coated or reflective lenses are not acceptable. Sunglasses may not be worn at night, indoors, or in darkened areas. Employees may utilize a plain black corded leash on their sunglasses.
- 4.4.7.2.3.3 Tattoos. Tattoos must not be visible and must be covered at all times while you are in an SIS issued uniform and/or while you are on duty if not in uniform.
- 4.4.7.2.3.4 Personal Hygiene. Be clean and practice effective overall personal hygiene.
- 4.4.7.2.3.5 Identification
 - 4.4.7.2.3.5.1 SIS employee identification cards/badges must either be prominently displayed, or on your person at all times while you are on duty, depending on Post Orders.
 - 4.4.7.2.3.5.2 Employee name badges must always be worn as directed by your supervisor.

SIS also will permit variation from these rules to the extent necessary to accommodate an employee's sincerely held religious belief(s), and to the extent the accommodation will not create an undue burden or hardship to SIS or its affected client(s).

4.5 RULES OF CONDUCT

Any group of people working together must abide by certain rules of conduct. In our profession we must strive to be examples to others, set higher standards and behave based on sound ethics, good judgment, honesty, good taste, fair play and safety. Rules of Conduct ("Rules") are the foundation of working efficiently together on the SIS team. These Rules are defined most clearly by their violations. Violations of these Rules may lead to disciplinary action, up to and including termination of employment.

4.5.1 The following are examples of some, but not all, violations of the Rules of Conduct:

- 4.5.1.1.1 Any act of dishonesty.
- 4.5.1.1.2 Any act of insubordination, including refusal to perform assigned tasks or the performance of assigned tasks in an insubordinate manner.
- 4.5.1.1.3 Breach of the SIS Confidentiality Policy, Conflict of Interest/Proprietary Information Policy, Drug-Free Workplace Policy, or Workplace Violence Policy.
- 4.5.1.1.4 Misuse, unauthorized possession, intentional and/or reckless destruction of SIS, co-worker, or client property or assets.
- 4.5.1.1.5 Unauthorized possession of the property of a co-worker, client or visitor.

- 4.5.1.1.6 Unauthorized possession of weapons on SIS or client property or while on duty.
- 4.5.1.1.7 Driving any SIS vehicle without proper authorization or a valid driver's license, or in a careless or reckless manner.
- 4.5.1.1.8 Falsification or manipulation of SIS records, including, but not limited to, time sheets, incident reports, and applications for employment. This shall include the consistent or deliberate failure to complete SIS records, including timesheets.
- 4.5.1.1.9 Failure to comply with Post Orders or other instructions relating to your employment position.
- 4.5.1.1.10 Failure to follow safe work practices and procedures relating to your employment position.
- 4.5.1.1.11 Failure to provide satisfactory service to a client.
- 4.5.1.1.12 Unethical, indecent, or unprofessional conduct while on-duty or on company or client property, including, but not limited to, unlawful harassment of co-workers or clients, physical or verbal altercations, or other offensive behavior.
- 4.5.1.1.13 Failure to notify SIS within two business days of your conviction of a felony or misdemeanor after becoming employed by SIS.
- 4.5.1.1.14 Making actual or implied threats or causing actual harm to any co-worker, client, or any person with whom SIS has a business relationship.
- 4.5.1.1.15 If your employment with SIS involves, or could potentially involve, operation of a motor vehicle while on duty, the failure to notify SIS of a driving infraction, suspension of driving privileges, and/or other serious driving offense within two business days after same becomes effective.
- 4.5.1.1.16 Negligence in the performance of job responsibilities that results in potential or actual harm to clients or employees of SIS, or that results in a potential or actual liability to SIS.
- 4.5.1.1.17 Providing or performing services for competitors in violation of SIS Conflict of Interest Policy.
- 4.5.1.1.18 Possessing, using or being under the influence of alcohol or illegal drugs while on-duty or on company or client property.
- 4.5.1.1.19 Soliciting and/or accepting money, tips, gifts or favors from clients or anyone with whom SIS has, or may have, a business relationship.
- 4.5.1.1.20 Unauthorized possession, use or divulgence of confidential SIS business records, information, trade secrets, information arising from confidential investigations, or any other proprietary information.
- 4.5.1.1.21 Use of abusive or profane language toward a supervisor, member of management, client or co-worker.
- 4.5.1.1.22 Sleeping or lying down while on duty or on company or client property.
- 4.5.1.1.23 Revocation, suspension and/or expiration of any certification or license required for the employee to work his or her assigned position, including, without limitation, the "Guard Card" required by applicable state law.

- 4.5.1.1.24 SIS will address violations of these Rules of Conduct and any other policy violations on an individual basis. Pursuant to SIS's At-Will employment policy, SIS reserves the right to impose whatever form of discipline it chooses, or none at all, in a particular instance.

4.6 DRIVER SAFETY POLICY

The safety and well being of our employees is of critical importance to the organization. We therefore each have a responsibility to not only protect ourselves when on the road but also should do our part to protect those around us. Employees that are required to drive on company business at any time will be expected to consistently apply follow all the procedures below.

4.6.1 Procedures

- 4.6.1.1.1 All employees are expected to wear seat belts at all time while in a moving vehicle being used for company business, whether they are the driver or a passenger.
- 4.6.1.1.2 Use of handheld cell phones, whether personal or business-owned, while operating a moving vehicle being used on company business is strictly prohibited.
- 4.6.1.1.3 Although use of cell phones under any circumstances is strongly discouraged while driving, the use of hands-free technology may be warranted in unusual or emergency circumstances.
- 4.6.1.1.4 Engaging in other distracting activities including, but not limited to, eating, putting on makeup, reading or changing radio stations or music, is also strongly discouraged while driving, even when in slow-moving traffic.
- 4.6.1.1.5 Use of alcohol, drugs or other substances, including certain over-the-counter cold or allergy medications that in any way impair driving ability, is prohibited.
- 4.6.1.1.6 All employees are expected to follow all driving laws and safety rules such as adherence to posted speed limits and directional signs, use of turn signals and avoidance of confrontational or offensive behavior while driving.
- 4.6.1.1.7 Employees should never allow anyone to ride in any part of the vehicle not specifically intended for passenger use and/or any seat that does not include a working seat belt.
- 4.6.1.1.8 Employees who drive commercial vehicles or who are otherwise subject to separate rules and regulations such as those dictated by state or federal law are also expected to adhere to all policies and regulations associated with the appropriate law or regulation that applies. [See separate policies if applicable.]
- 4.6.1.1.9 Employees must promptly report any accidents to local law enforcement as well as to the company in accordance with established procedures. [Procedures may be specified here or in a separate policy as appropriate.]
- 4.6.1.1.10 Employees are also expected to report any moving or parking violations received while driving on company business and/or in company vehicles.
- 4.6.1.1.11 Failure to adhere to these procedures may result in disciplinary action per company policy.

4.6.2 Vehicle Accidents

4.6.2.1 Any SIS employee operating a motor vehicle that is involved in a vehicle accident will undergo the following:

- 4.6.2.1.1 Immediate drug test
- 4.6.2.1.2 Supervisor/Site Manager will prepare vehicle accident report as current protocols dictate and escalate accordingly.
- 4.6.2.1.3 The following disciplinary action may be administered:
 - 4.6.2.1.3.1 Employee may be suspended for a period of three (3) days.
 - 4.6.2.1.3.2 Employee may be prohibited from operating an SIS or client owned vehicle for a period of one (1) year.
 - 4.6.2.1.3.3 Employee may be demoted/reassigned to a position that does not require vehicle operation and pay adjusted to new position.
- 4.6.2.1.4 In the event that a vehicle accident investigation yields gross negligence and or a failure to disclose details associated with the accident, this may result in disciplinary action up to and including termination. Additionally, each event will be reviewed by SIS Corporate and, pending additional facts and data, the disciplinary action may be further revised.

4.7 INVESTIGATION OF CURRENT EMPLOYEES

SIS may find it necessary to investigate current employees, where behavior or other relevant circumstances raise questions concerning work performance, reliability, honesty, trustworthiness, or a potential threat to the safety of coworkers or others. Employee investigations may, where appropriate, include credit reports and investigations of criminal records, including appropriate inquiries about any arrest for which the employee is out on bail. In the event that a background check is conducted, SIS will comply with all applicable federal and state laws, including those that require providing the employee with any required notices and forms. Employees subject to an investigation are required to cooperate with SIS's lawful efforts to obtain relevant information, and may be disciplined, up to and including termination, for failure to do so.

4.8 SOLICITATION AND POLITICAL ACTIVITY

At SIS, we believe that employees should not be disturbed or disrupted in the performance of their job duties. For this reason, solicitation of any kind by one employee of another employee is prohibited while either person is on duty. Examples of solicitation include, but are not limited to: selling products or services, and asking for money, assistance, donations, or favors from others. "On duty" means when either person is supposed to be working and does not include authorized rest and meal periods. Solicitation of clients by SIS employees is prohibited while on duty. Solicitation by non-employees on SIS premises is prohibited at all times.

Distribution of advertising material, handbills, or printed or written literature of any kind is permitted only during non-working time in non-work areas such as break rooms or cafeterias on SIS property. Distribution of literature by non-employees on SIS premises is prohibited at all times. When on a client's property, employees are required to follow the client's lawful rules.

4.9 WORKPLACE VIOLENCE

SIS is committed to providing all employees with a workplace environment free of violence and intimidation or threats of violence and intimidation.

Prohibited forms of violence and intimidation include, but are not limited to, oral or written threats of bodily harm or property damage; aggressive behavior or posture intended to intimidate; actual physical contact, including striking, kicking, biting, or spitting on another person; actual property damage; and/or displaying a weapon or brandishing an object as a weapon.

If any SIS employee believes that the conduct of any co-worker, supervisor, client, contractor or visitor is threatening, the employee should notify his/her immediate supervisor or an SIS Human Resources Officer. SIS will promptly investigate any allegations of violent or potentially violent behavior and will take immediate action. No individual will suffer any reprisal from SIS for reporting any incidents of violence, unless the report is found to have been knowingly false when made.

Any employee who commits an act of violence or threatens violence may be subject to termination of employment. Any individual who commit acts of violence against SIS or its employees will be reported to law enforcement authorities.

5 OPERATIONAL CONSIDERATIONS

5.1 CONTACTS WITH THE MEDIA

Incidents may occur at a client's facility that the media may consider newsworthy. SIS maintains the following media policy to protect the interests of both SIS and its clients:

- 5.1.1.1.1 Only those authorized by SIS may speak on behalf of SIS or its clients. Likewise, SIS employees are not authorized to discuss or describe anything pertaining to SIS's confidential, business-related or proprietary information or a client in any public forum, such as the Internet, whether anonymously or for attribution. Any media inquiries, in person, by telephone, or otherwise regarding SIS' confidential, business-related or proprietary information or a client, should be immediately referred to your supervisor. Nothing in this section prohibits you from discussing the terms and conditions of your employment with other employees or outside sources
- 5.1.1.1.2 Any media presence at the facility of any SIS client must be immediately reported to your supervisor.
- 5.1.1.1.3 Speaking to the media while on-duty, or representing SIS without prior approval of your supervisor, will result in disciplinary action, up to and including termination of employment.

5.2 COMMUNICATION/COMPUTER PRIVACY

SIS respects the individual privacy of its employees. However, this privacy does not extend to work-related conduct or use of SIS equipment or supplies. Be aware of the following policies:

5.2.1 SIS'S RIGHT TO ACCESS INFORMATION

Although you may have individual access codes to voice-mail, e-mail, cellular telephones, the SIS website, and SIS or client computer network systems, you have no privacy rights to any SIS or SIS-client systems, computer or written business records or voice-mails, e-mails or other information they may contain. These systems are accessible at all times by SIS, and may be subject to periodic unannounced inspections by SIS for business purposes. All system pass codes must be available to SIS management and on file with SIS's home office. You may not use pass codes that are unknown to SIS management. By using any SIS or SIS-client systems, including any computer, mobile-phones, voice-mail, e-mail or other communications systems, you are agreeing that SIS may search any or all of these systems for business purposes, in its sole discretion.

5.2.1.1 SYSTEM USE RESTRICTED TO SIS BUSINESS

You are expected to use company and/or client voice-mail, e-mail, cellular telephones and computer network systems for SIS business only, and not for personal purposes. Personal purposes include, but are not limited to, soliciting or proselytizing for commercial ventures, for religious or political causes, for outside organizations, or for any other personal or non-job-related activities. If your employment with SIS ceases for any reason, you will no longer have access to any of these systems.

5.2.1.2 FORBIDDEN CONTENT

You are prohibited from using SIS and/or client voice-mail, e-mail or computer network systems in any way that may be disruptive or offensive to others, including, but not limited to, the transmission of sexually explicit

messages, cartoons, ethnic or racial slurs, or anything that may be construed as harassment or disparagement of others.

5.2.1.3 PASSWORD SECURITY AND INTEGRITY

You are prohibited from the unauthorized use of the access codes of other employees to gain access to voice-mail, e-mail or network computer systems, including any SIS timekeeping system(s).

5.2.1.4 USE OF SYSTEMS

Personal or other inappropriate use of SIS and/or client voice-mail, e-mail or computer network systems will result in disciplinary action up to and including termination of employment.

5.3 SOCIAL MEDIA AND ELECTRONIC COMMUNICATIONS

SIS understands that social media and electronic communications can be a fun and rewarding way to share your life. However, use of social media and electronic communications also presents certain risks and carries with it certain responsibilities. To that end, SIS has established guidelines for the appropriate use of social media and electronic communications as it pertains to your employment and assignments with SIS.

Social media and electronic communications are defined as all means of communicating or posting information or content of any sort via electronic communications including e-mail, text messages, video messages, photo messages, video calls, phone calls, and the internet, including to your own or someone else's web log or blog, journal or diary, personal website, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with SIS, as well as any other form of electronic communication.

Confidential and sensitive information pertaining to your employment at SIS or that of SIS clients, including activities, post instructions, and secure client locations are prohibited from being transmitted electronically, including but not limited to social networking sites, social media, blogs, e-mails, text messages, or any other method.

Examples of prohibited information relating to SIS, its clients, or related vendors include, but are not limited to:

- 5.3.1.1.1 Photographs of yourself or other SIS or client personnel or client vendors wearing SIS uniforms or other identifying uniforms
- 5.3.1.1.2 Photographs or reproductions of security credentials and/or badges (including, but not limited to, SIS badges, AMPAS, NFL, Apple, etc.)
- 5.3.1.1.3 Confidential records or information not previously released by SIS or its clients
- 5.3.1.1.4 Secure client locations, including photos or files with geotags
- 5.3.1.1.5 Information pertaining to products, designs, business plans, business opportunities, finances, research, development, know-how, personnel, or other third-party information
- 5.3.1.1.6 Confidential information pertaining to special events (including, but not limited to, AMPAS, NFL, Apple, etc.); this applies while on duty at the event of off-duty prior to or after the event.

Nothing in this policy is meant to keep you from discussing anything regarding your employment with SIS, as protected by Section 7 of the National Labor Relations Act. It is meant to protect confidential information regarding SIS and its clients that could result in potential or actual harm to clients or employees of SIS, or that results in a potential or actual liability to SIS and the legitimate business interests thereof.

5.4 HEALTH AND SAFETY

5.4.1 General

The health and safety of all SIS employees and SIS clients is a top priority. It is the policy of SIS to provide a safe workplace for all employees, clients and visitors to any client or SIS facilities.

You are expected to use good judgment and common sense regarding safe work procedures, including the following:

- 5.4.1.1.1 Know the potential hazards of your job.
- 5.4.1.1.2 Follow the Post Orders and safety practices relating to your assignment.
- 5.4.1.1.3 Comply with all safety rules and use any safety devices required for your assignment.
- 5.4.1.1.4 Correct or report all safety, health and fire hazards promptly.

If your acts or omissions endanger your own personal safety or the safety of your co-workers, or SIS clients, visitors, etc., you will be subject to appropriate disciplinary action up to and including termination of employment.

Direct all questions or concerns regarding safety procedures, Post Orders or job duties to your immediate supervisor.

5.4.2 Injury And Illness Prevention

In compliance with state law, and to promote the concept of a safe workplace, SIS maintains an Injury and Illness Prevention Program. The Injury and Illness Prevention Program is available for review by employees in the SIS corporate office.

5.4.2.1 Reporting Work-Related Injuries

If an injury occurs on the job, the following guidelines should be followed:

- 5.4.2.1.1 In a life threatening/emergency situation, call 911 and get the injured person medical treatment as soon as possible. As soon as possible after the injured person is under medical care, notify your supervisor.
- 5.4.2.1.2 In a non-emergency situation, the injury should be reported to your immediate supervisor as soon as safely possible. All injuries should be reported, no matter how minor they may seem.
- 5.4.2.1.3 The injured worker must complete a written Employee Claim Form and return it to his/her supervisor.
- 5.4.2.1.4 Once an injury has been reported, it is the responsibility of the SIS supervisor to:
 - 5.4.2.1.4.1 Ensure that the employee receives proper first-aid or medical treatment.
 - 5.4.2.1.4.2 Investigate the circumstances of the injury.
 - 5.4.2.1.4.3 Complete an incident report detailing the injury.
 - 5.4.2.1.4.4 Notify an SIS Human Resource Officer and submit documentation of the injury as soon as possible.

- 5.4.2.1.4.5 Make recommendations based on the accident investigation to ensure that a similar injury does not occur again.

5.5 PERSONAL PROPERTY

SIS employees assume full responsibility for any personal property that they choose to bring to work, regardless of whether the personal items are used in their work. Employees should exercise good judgment and use security precautions in regard to any personal property they bring to work.

6 EMPLOYEE BENEFITS

6.1 HOLIDAY PAY

SIS observes seven (7) holidays during the year:

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

Hourly employees who work on a recognized holiday will be paid at one and one half (1 and 1/2) times their regular hourly rate of pay for the actual hours worked during the holiday Workday. Hourly employees who do not work on a holiday will not be paid for that holiday.

6.2 PAID TIME OFF (PTO)

The SIS PTO Benefit Plan is designed to provide eligible employees time off from work without loss of income.

PTO may be used for many reasons. It may be used for a planned vacation or time off. It may be used for sick time either for your personal or family member's illness or preventative care. It may be used for safe time for instances of domestic violence, sexual assault, or stalking or for the closure of workplace or child's school or place of care by a public official. What you use your PTO for is up to you.

PTO benefits begin to accrue upon an employee's date of hire. Hours will be accrued according to a set schedule for employees. Depending on the location to which you are regularly assigned, you may have an accrual rate that is higher than outlined below. Please see your supervisor or contact Human Resources for more information.

6.2.1 Hourly Employees:

Years 0 - 4: Employees accrue at a rate of 1 hour per 30 hours worked.

Years 5+: Employees accrue at a rate of 1 hour per 25 hours worked.

Limits: There is no maximum as to the number of PTO hours an hourly employee may accrue.

6.2.2 Salaried Employees:

Years 0 - 4: Employees accrue at a rate of 1.538 hours per Pay Period.

Years 5+: Employees accrue at a rate of 3.076 hours per Pay Period.

The minimum number of hours worked per weekly pay period to accrue PTO is 31.15 hours. If a salaried employee does not work the minimum number of hours during the weekly pay period, they will not accrue any PTO for that pay period.

Limits: There is a maximum of 320 hours that a salaried employee may accrue. You may cash out your PTO anytime you want to avoid hitting the cap.

6.2.3 How to Use Your PTO

Planned or foreseeable use of PTO should be arranged to allow for minimum disruption to SIS and the client operations. PTO for purposes other than sickness or safety must be requested sufficiently in advance to allow your supervisor to make arrangements to cover your position during your absence. Here are some guidelines:

6.2.3.1 Foreseeable leave for purposes other than sickness or safety:

- 6.2.3.1.1 A written request must be submitted to your supervisor at least two weeks prior to the start of the PTO requested leave.
- 6.2.3.1.2 Approval is subject to supervisor approval and business needs.
- 6.2.3.1.3 Your supervisor may deny your PTO request if replacement coverage is not available.
- 6.2.3.1.4 Your supervisor may deny your PTO request based on client or SIS business needs.

6.2.3.2 Unforeseeable leave due to the need for sick time or safe time:

- 6.2.3.2.1 For sick or safe time, you should notify your supervisor at least twenty-four (24) hours prior to the start of your shift or as soon as is practicable.
- 6.2.3.2.2 Documentation: SIS will not request a verification or certification of absences for unforeseeable leaves unless permitted under local law, or when there appears to be a clear instance or pattern of abuse. In those instances where SIS does request a verification or certification of absences for unforeseeable leaves, it will not require an explanation of the nature of a medical condition or absence. SIS may request documentation related to the absence for other reasons as required or permitted under federal, state, or local law.
- 6.2.3.2.3 Unless otherwise prohibited by federal state or local law, absences due to unforeseeable leave may result in SIS paying you for the missed time to cover the absence and a corresponding deduction from your PTO balance.
- 6.2.3.2.4 If you do not have sufficient PTO to cover an unforeseen absence in its entirety, it will be considered to be unexcused.
- 6.2.3.2.5 You will not receive Holiday Pay for the PTO day that falls on a holiday.
- 6.2.3.2.6 Additional unpaid time off may be taken with the approval of your supervisor.
- 6.2.3.2.7 You may not take more PTO time than is available in your PTO balance.
- 6.2.3.2.8 PTO may be used as it is accrued in increments of 1.0 hour.

If more than one employee at an SIS jobsite requests PTO at the same time for purposes other than sickness or safety, and both requests cannot be approved due to business needs, the date a PTO request was made and length of service with SIS will be considered by management in making the final decision. In general, employees with more seniority will be given PTO date preference where two competing unapproved requests for PTO were submitted two or more weeks in advance.

6.2.4 Definitions of Sick Time and Safe Time

In certain jurisdictions, SIS employees may be entitled to use PTO for sick or safe time. In those jurisdictions, the following applies:

6.2.4.1 Sick Time

- 6.2.4.1.1 “Sick Time” refers to the mental or physical illness, injury, or health condition of an employee or his/her family member; allows for an employee to obtain medical diagnosis, care, or treatment for the same; and allows for the care of an employee or his/her family member’s needs for preventative care.
- 6.2.4.1.2 “Safe Time” refers to absences that occur if an employee’s place of business or childcare school or facility has been closed by order of a public official to limit exposure to an infectious agent, biological toxin, or hazardous material or to absences where an employee or his/her family member is a victim of domestic violence, sexual assault, or stalking, and the employee needs time off to seek legal or law enforcement assistance, treatment by a healthcare provider, social services, mental health counseling, safety planning, relocation, or other actions to increase safety for the employee or his/her family member.
- 6.2.4.1.3 The definition of “Sick Time” and “Safe Time” may vary by jurisdictions and, where the definition of these phrases differs, the jurisdictional definition where the SIS employee works will control.
- 6.2.4.1.4 An absence that fits the definitions of “sick time” or “safe time” and for which the affected employee has accrued sufficient PTO time to cover the absence is considered a qualifying or excused absence.
- 6.2.4.1.5 If you do not have sufficient PTO to cover the absence in its entirety, it will be considered to be unexcused.

6.2.5 Call-Off Procedures

If you cannot come to work or will be late for your scheduled shift, you are expected to immediately contact your supervisor and inform him/her you will be absent and when you expect to return to work. If your immediate supervisor is unavailable, you must speak directly with another supervisor or a senior manager. Leaving a voicemail or asking another employee to pass the information along is unacceptable.

If the call off is due to an unforeseen circumstance not related to illness or the need for safe time, leadership will make a determination as to whether or not the absence is excused.

If your call-off is due to sick or safe time, Human Resources will contact you directly.

An absence that fits the definitions of “sick time” or “safe time” and for which the affected employee has accrued sufficient PTO time to cover the absence is considered a qualifying or excused absence. Appropriate use of Sick/Safe time will not be counted as an absence that may result in discipline.

6.2.5.1 Clear instance or pattern of abuse

SIS reserves the right to take reasonable action (e.g. discipline) for:

- 6.2.5.1.1 Repeated unexcused absences that appear questionable and are unsubstantiated
- 6.2.5.1.2 Absences that precede or follow regular days off, or some other clear instance or pattern of abuse without valid reason
- 6.2.5.1.3 Obtaining or using paid sick or safe time improperly

6.2.6 Advances and PTO “Cash Out”

Each SIS employee may cash out any or all of their PTO balance as often as they wish. PTO “cash out” requests must be submitted in increments of one hour. PTO “cash out” requests will be paid on the employee’s next regularly scheduled pay date, if the request is submitted by the end of the current pay period. Otherwise, it will be paid on the subsequent pay date. All PTO hours will be paid at the rate then in effect for the employee, less deductions as required by law.

6.2.7 Unused PTO Hours

Unused PTO hours will roll over from calendar year to calendar year. Subject to applicable caps, employees will not lose their accrued PTO hours if they do not use them within the calendar year.

On termination of employment, an employee will be paid for any unused, accrued PTO.

SIS reserves the right to change or modify this policy at its discretion and in compliance with applicable federal, state, and local laws.

6.3 LEAVES OF ABSENCE

6.3.1 General

Any absence that exceeds three days from an employee’s work schedule is considered a leave of absence. All requests for leaves of absence must be submitted to your supervisor, in writing, as far in advance as possible. Leaves of absence may be granted only if they meet the requirements listed below, and only if they are submitted in a timely manner to your supervisor. All such requests are forwarded to the SIS Human Resources Department for final approval.

If a leave of absence is approved, SIS requires that you keep in touch with your supervisor during your leave. We also require that you give SIS prompt notice if there is a change in your return date. If your leave expires and you have not contacted your supervisor or SIS, it will be assumed that you do not plan to return to work and that you have voluntarily terminated your employment with SIS.

The SIS Leave of Absence Policy is intended to comply with all state and federal regulations, laws, and guidelines covering any and all employment matters relating to leaves of absence.

6.3.2 Jury Duty

SIS does not offer paid time for jury duty service, except as otherwise provided for by state or local law. SIS encourages employees to fulfill their responsibilities as citizens, but the company needs to have adequate time to arrange work schedule changes that might be required to cover the employee's jury service. Upon receiving a summons to report for jury duty, an employee shall, on the next day scheduled to work, shall provide a copy of the summons to their immediate supervisor, and the employee shall then be excused from employment for the day(s) required. Further, at the completion of the jury duty service, the employee shall obtain from the court the statement showing the dates that the employee reported for jury duty; this form shall be turned into their immediate supervisor and then forwarded to Human Resources and Payroll.

6.3.3 Time Off for Voting

SIS does not offer paid time off for time off for voting except as provided for by state or local law.

6.3.4 Family and Medical Leave Policy

6.3.4.1 Qualification for Family/Medical Leave:

SIS employees are eligible to take up to 12 weeks (or in some situations involving domestic partners, 24 weeks) of unpaid Family/Medical Leave, in a rolling 12 month period, if they:

- 6.3.4.1.1 Have worked for SIS for at least 12 months, and for at least 1250 hours in the rolling 12 month period prior to the leave; and
- 6.3.4.1.2 Are employed at an SIS jobsite that has 50 or more employees within a 75-mile radius.
- 6.3.4.1.3 Under these conditions, an eligible employee will be reinstated to the same or an equivalent position on their return from a family/medical leave to the extent it is possible for SIS to do so.

6.3.4.2 Reasons for Family/Medical Leave:

Family/medical leaves may be taken for any of the following reasons:

- 6.3.4.2.1 The birth of a child and in order to care for such a child.
- 6.3.4.2.2 The placement of a child with the employee for adoption or foster care.
- 6.3.4.2.3 To care for a spouse, child, parent, domestic partner, or other covered relation with a serious health condition.
- 6.3.4.2.4 Because of an employee's own serious health condition that renders the employee unable to perform the functions of his/her position.
- 6.3.4.2.5 For qualifying exigencies arising out of the fact that the employee's spouse, son, daughter, or parent is on active duty or call to active duty status as a member of the National Guard or Reserves in support of a contingency operation.

The company will measure the 12-month period as a rolling 12-month period measured backward from the date an employee uses any leave under this policy. Each time an employee takes leave, SIS will compute the amount of leave the employee has taken under this policy in the last 12 months and subtract it from the 12 weeks of available leave, and the balance remaining is the amount the employee is entitled to take at that time.

An employee may take leave because of a serious health condition that makes the employee unable to perform the functions of the employee's position. A serious health condition is defined as a condition that requires inpatient care at a hospital, hospice or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care or a condition that requires continuing care by a licensed health care provider. This policy covers illnesses of a serious and long-term nature, resulting in recurring or lengthy absences. Generally, a chronic or long-term health condition that would result in a period of three consecutive days of incapacity with the first visit to the health care provider within seven days of the onset of the incapacity and a second visit within 30 days of the incapacity would be considered a serious health condition. For chronic conditions requiring periodic health care visits for treatment, such visits must take place at least twice a year. Employees with questions about what illnesses are covered under this FMLA policy or under the company's sick leave policy are encouraged to consult with the Human Resource Department.

If the employee takes leave because of his/her own serious health condition, or to care for a covered relation, the employee must contact his/her supervisor at the end of each month regarding the status of the health condition and the employee's intention to return to work.

Family/medical leave is unpaid. Employees will be required to use any accrued vacation benefits before taking any unpaid leave. The use of paid vacation benefits does not extend the 12-week leave period unless an eligible employee who is a spouse, son, daughter, parent, or next of kin of a current member of the Armed Forces, including a member of the National Guard or Reserves, with a serious injury or illness up to a total of 26 workweeks of unpaid leave during a rolling 12-month period to care for the service member.

6.3.4.3 Employee Status and Benefits During Leave:

While an employee is on leave, SIS will continue the employee's health benefits during the leave period as long as the employee continues to submit payment for their portion of their premium that they are normally responsible for.

Under current company policy, the employee pays a portion of the health care premium. While on paid leave, the SIS will continue to make payroll deductions to collect the employee's share of the premium. While on unpaid leave, the employee must make this payment, either in person or by mail. The payment must be received in the Benefits Department by the 1st day of each month. If the payment is more than 30 days late, the employee's health care coverage may be dropped for the duration of the leave. The employer will provide 15 days' notification prior to the employee's loss of coverage.

If the employee contributes to a life insurance or disability plan, SIS will continue making payroll deductions while the employee is on paid leave. While the employee is on unpaid leave, the employee may request continuation of such benefits and pay his or her portion of the premiums, or the employer may elect to maintain such benefits during the leave and pay the employee's share of the premium payments. If the employee does not continue these payments, the employer may discontinue coverage during the leave. If coverage is maintained, SIS may recover the costs incurred for paying the employee's share of any premiums, whether or not the employee returns to work.

6.3.4.4 Employee Status After Leave

An employee who takes leave under this policy because of the employee's own serious health condition may be asked to provide a fitness for duty (FFD) clearance from the employee health care provider stating that the employee is fit to resume work. An employee failing to provide a return to work clearance will not be permitted to resume work until such certification is provided.

Generally, an employee who takes FMLA leave will be able to return to the same position or a position with equivalent status, pay, benefits and other employment terms. The position will be the same or one which is virtually identical in terms of pay, benefits and working conditions. The company may choose to exempt certain key employees from this requirement and not return them to the same or similar position.

6.3.4.5 Procedure for Requesting FMLA Leave

All employees requesting FMLA leave must provide verbal or written notice of the need for the leave to their supervisor and complete a Time Off Request (TOR). Within five business days after the employee has provided this notice, the HR team will complete and provide the employee with the Department of Labor Notice of Eligibility and Rights.

When the need for the leave is foreseeable, the employee must provide the employer with at least 30 days' notice. When an employee becomes aware of a need for FMLA leave less than 30 days in advance, the employee must provide notice of the need for the leave either the same day or the next business day. When the need for FMLA leave is not foreseeable, the employee must comply with SIS's usual and customary notice and procedural requirements for requesting leave, absent unusual circumstances.

If the employee is requesting leave because of his/her own serious health condition, or to care for a covered relation, the employee and the relevant health care provider must supply appropriate medical certification. The employee must respond to such a request within 15 days of the request or provide a

reasonable explanation for the delay. Failure to provide requested medical certification in a timely manner may result in denial of leave until such certification is provided. SIS, at its expense, may require an examination by a second health care provider designated by SIS if the company reasonably questions the medical certification the employee initially provided.

6.3.5 Bereavement Leave

In the event of the death of your current spouse, child, parent, legal guardian, sibling, grandparent, grandchild, domestic partner, or in-law, you may request an unpaid bereavement leave of up to five days. If you need additional time off, you may request a personal leave of absence from your supervisor.

6.3.6 Military Leave

If you are called to active duty in the U.S. military or state National Guard, you are eligible for unpaid military leave of absence in accordance with state and federal law. You should provide your supervisor with a copy of your service/call up documentation as soon as you receive it.

If you are required to attend yearly Reserve or National Guard duty, you can apply for an unpaid temporary military leave of absence not to exceed 17 days (including travel). You also may use earned vacation time for this purpose.

6.3.7 Personal and/or Medical Leave

A personal leave of absence may be granted at the sole discretion of SIS. (Employees who do not qualify for the Family and Medical Leave benefits outlined above may request a personal leave for personal emergencies or medical reasons.)

Requests for personal leave should be limited to unusual or unexpected circumstances. SIS may require documentation or other proof to verify the necessity of the requested leave of absence.

There are no guarantees of reinstatement upon your return from a personal leave of absence. Your return to work will depend upon your qualifications for existing openings.

6.3.8 Sick Leave

SIS does not provide sick pay unless required by relevant state or local law. If you must be absent due to illness or injury, notify your supervisor at least twenty-four (24) hours prior to the start of your shift, or at the earliest time that is reasonably practical under the circumstances. Depending on the circumstances, SIS may require a written medical verification of your ability to return to work.

6.4 INSURANCE

6.4.1 Health Insurance

SIS offers medical, dental vision care, and Life insurance (“health benefits”) to employees who maintain Full-Time employment status. New hires (excluding Hawaii) are eligible for benefits the first of the month following 60 days of full time employment. New hires in Hawaii are eligible for benefits the first of the month following 28 days of employment. Please consult specific state amendments for details.

To qualify for these health benefits, it is *the employee’s* responsibility to login and complete an online SIS Benefit Election Life Event or open enrollment election. Failure to do so may make you ineligible for health benefits until the next SIS Open Enrollment period or a life event that would trigger a special enrollment period.

Open enrollment periods are currently held each May for a June 1 effective date, but these periods can change and it is *your* responsibility to contact the SIS Benefits Department for the most current

information regarding SIS health benefits. Life Events or Change of Status (COS) may trigger a special enrollment period, which will allow employees to make changes to their current benefits.

6.4.1.1 Qualified Life Events

A qualified life event will allow the employee to add/drop or make any changes to their current benefits outside of the open enrollment period. Employees are not limited on the number of qualified life event they may have. A qualified life event may be triggered by any of the following situations:

- 6.4.1.1.1 Marriage / Divorce
- 6.4.1.1.2 Birth / Adoption
- 6.4.1.1.3 Child ceases to be an eligible dependent or is eligible to enroll in their employers' benefits plan.
- 6.4.1.1.4 Spouse (domestic partner) is eligible to enroll in their employers' benefits plan or loses coverage through their employers' plan.

Please contact the benefits department for a complete list of Life Events. Once a life event has occurred, the employee will have 30 days to notify the Benefits Department or create a life event. Each life event will require the employee sending in proof of the life event with either a letter that shows the date of the life event or a letter from another employer on their letterhead stating the reason and effective date of the event. A life event or Change of Status (COS) will be effective the first of the following month. If you lose eligibility, for any reason, you will have coverage through the end of the month then offered to extend benefits through COBRA.

SIS currently pays a discretionary percentage of the premium cost of your basic SIS Group medical and dental plans. Clients occasionally reimburse SIS an additional percentage of the cost of health benefits for employees and their dependents, in which case SIS may pay a greater percentage of premium cost as to employees permanently assigned to these clients. You pay all other costs for your health benefits coverage.

Eligible dependents also may be covered on group medical, dental, vision, and Life insurance plans. You pay all dependent premiums not reimbursed by an SIS client.

If you fail to maintain Full-Time SIS employment status through the measurement period, (6-month look-back/6-month stability period) SIS will terminate your benefits and allow continuation via COBRA. The administrative period begins May 1 – 30 and November 1-30. During this administrative period, SIS will identify employees working full-time hours. Over the next 6-months employees, who were identified as full-time employees, will remain on the health benefits regardless of their hours worked. Part-Time, Temporary and On-Call employees (including Off-Duty Officers) are not eligible for health benefits. Through the stability period, employees will be responsible to make up the difference in premium if there is not enough on each paycheck to cover the amount scheduled for deduction.

Employees that are on leave or have a reduction in hours and do not accumulate enough hours on their paycheck (to cover the employee portion) will be responsible to pay the elected deduction amount directly to SIS, Inc. Payments will need to be paid by the end of the current month (15 day grace period). Failure to make payments will result in termination of benefits and COBRA will be offered to continue benefits at the full cost of the monthly premium plus a two percent administrative fee.

Please contact the SIS Benefits department for additional information at benefits@sis.us.

6.4.2 Unemployment Insurance

Under certain conditions, upon the termination of your employment, you may be eligible for state unemployment insurance benefits. SIS contributes to premiums for this insurance coverage according to state law. Benefits are determined by each state.

6.4.3 Social Security

All SIS employees are covered by the federal Social Security Act. Payroll deductions are made for employee contributions to Social Security, as required by law.

6.4.4 Workers Compensation Insurance

SIS provides workers compensation insurance that covers all employees in the event of a work-related injury or illness in accordance with state law. Benefits include payment of medical expenses and partial payment for lost wages while you are recovering from a work-related injury or illness.

In order to protect your rights and speed your recovery, you **must** report any work-related injury or illness to your supervisor **immediately**.

Although other insurance may be available, Workers Compensation Insurance is inappropriate for any injury that arises solely out of an employee's voluntary participation in any off-duty recreational, social or athletic activity that is not part of the employee's work-related duties.

6.5 RETIREMENT PLAN

SIS provides a 401(k) benefit plan for eligible employees who wish to save for retirement in a tax deferred manner. The 401(k) plan provider is Fidelity and offers employer discretionary matching, a set vesting schedule, loans, employee catch-up contributions (employees age 50 and older), and additional benefits.

To be eligible for the benefit, employees must have: (a) been employed by SIS for at least one continuous year; and (b) worked at least 1,000 compensable hours during the past continuous year. Eligibility will be determined at each employee's one-year anniversary. If an employee does not meet the 1,000 hour eligibility threshold at his or her initial anniversary date, eligibility will again be reviewed (based on the criteria above) on the employee's anniversary date until such time the employee becomes eligible, or employment terminates. Once an employee becomes eligible to participate in the 401(k) plan, the employee will remain eligible as long as he or she continues to be employed by SIS, and regardless of how many hours he or she works at SIS.

Participation in the 401(k) plan is not mandatory, but it is an automatic enrollment plan. Eligible employees may elect whether or not they want to participate, and the level at which they would like to participate. However, eligible employees will be automatically enrolled in the 401(k) plan at a predetermined percentage of income unless they affirmatively elect not to participate. Therefore, if an eligible employee **does not** want to participate in the 401(k) plan; they **must** notify Fidelity 401(k) after being informed of their eligibility. Employees can make their own changes directly with Fidelity 401(k) by website at www.netbenefits.com or by phone at [\(800\) 294-4015](tel:8002944015).

7 CLOSING WORDS

This Handbook is intended to give you a broad summary of important and useful information about SIS. The information in this Handbook frequently is general in nature and, should questions arise, your supervisor or an SIS Human Resources Officer should be consulted for complete details. We intend to continue to improve and refine the policies, rules and benefits described in this Handbook, and we will post all updates to our website, www.sis.us. SIS reserves the right to modify or vary from the matters set forth in this Handbook at its discretion, except for the rights of the parties to terminate employment at will, which never can be modified except in writing signed by a President of SIS and the employee. Please do not hesitate to speak to your supervisor or an SIS Human Resources Officer if you have any questions. Again, welcome to Security Industry Specialists, Inc.!