

# **WILLMAR ELECTRIC SERVICE**

## **EMPLOYEE HANDBOOK**

**January 2020**

THIS HANDBOOK AND ITS MANAGERIAL GUIDELINES AND POLICIES SUPERSEDE ALL PREVIOUS MANUALS AND HANDBOOKS, AND ALL OTHER INCONSISTENT EMPLOYMENT-RELATED MATERIALS, PRACTICES, PROCEDURES, REPRESENTATIONS OR TERMS AND CONDITIONS OF EMPLOYMENT WITH WILLMAR ELECTRIC SERVICE, WHETHER VERBAL OR WRITTEN, ALL OF WHICH ARE HEREBY REVOKED AND RESCINDED.

# TABLE OF CONTENTS

## PAGE

|   |     |
|---|-----|
| Table Of Contents .....   | 2-3 |
| Introductory Comments About This Handbook And Willmar Electric Service..... | 4   |
| Introductory Comments About Employee-Management Cooperation .....           | 5   |
| I. EMPLOYEE RECEIPT/ACKNOWLEDGMENT FORMS.....                               | 6-7 |
| EMPLOYER COPY OF RECEIPT/ACKNOWLEDGMENT FORM .....                          | 6   |
| EMPLOYEE COPY OF RECEIPT/ACKNOWLEDGMENT FORM.....                           | 7   |
| II. WELCOME TO WILLMAR ELECTRIC SERVICE .....                               | 8   |
| III. CRITICAL EMPLOYMENT POLICIES .....                                     | 9   |
| A. Equal Employment Opportunity .....                                       | 9   |
| B. Resolution of Complaints/Open Door Policy: Let's Work Together.....      | 9   |
| C. Prohibition of Harassment and Retaliation .....                          | 11  |
| D. No Company Authority .....   | 13  |
| E. At-Will Nature of the Employment Relationship.....                       | 13  |
| F. Protected Concerted Activity.....  | 14  |
| IV. RULES REGARDING CONDUCT AND DISCIPLINE .....                            | 14  |
| A. Rules Regarding Employee Conduct and Discipline.....                     | 14  |
| B. Absenteeism/Tardiness.....   | 17  |
| C. Inclement Weather .....  | 17  |
| D. Moonlighting/Conflict of Interest.....                                   | 18  |
| E. False Information and Claims .....                                       | 18  |
| F. Workplace Violence; Inappropriate Conduct; Weapons .....                 | 18  |
| V. COMPENSATION AND HOUR POLICIES.....                                      | 19  |
| A. Introductory Period .....  | 19  |
| B. Resignation/Termination .....  | 19  |
| C. Layoff; Reduction in Force .....   | 20  |
| D. Promotions and Transfers.....  | 20  |
| E. Workday and Break Policies .....   | 21  |
| F. Overtime .....   | 21  |
| G. Payroll Information .....  | 22  |
| H. Payroll Deductions .....   | 22  |
| I. Resolution of Complaints Regarding Payment of Wages .....                | 22  |
| VI. OTHER OPERATING POLICIES.....   | 22  |
| A. Alcohol .....  | 23  |
| B. Drugs .....  | 23  |
| C. Solicitation and Distribution; Visitors.....                             | 23  |
| D. Safety and Health.....   | 24  |
| E. Dress Code.....  | 24  |
| F. Bulletin Board/Notification of Policy Changes.....                       | 25  |
| G. Phone, Computer, Email and Internet Use - Standards of Conduct .....     | 25  |
| H. Notice/Policy on Privacy in Connection with Employment .....             | 27  |
| I. Personnel Information .....  | 28  |
| J. Personnel Data Changes .....   | 28  |
| K. Employee Reference Checks .....  | 28  |
| L. Employee Parking and Site Access.....                                    | 29  |
| M. Company Vehicles .....   | 29  |
| N. Company Equipment and Tools .....  | 30  |
| O. Policy on Use of Wireless Communication Device While Driving .....       | 30  |

|   |  |    |
|---|--|----|
| P.  | Business Gifts.....  | 30 |
| Q.  | Testing/Examinations/Background Checks.....  | 30 |
| R.  | Confidentiality.....   | 31 |
| S.  | Visitors.....  | 32 |
| T.  | Smoking Policy.....  | 32 |
| U.  | Travel and Reimbursable Expenses.....  | 32 |
| V.  | Employment of Relatives.....   | 32 |
| W.  | Light/Restricted Duty Policy.....  | 33 |
| X.  | Protected Health Information.....  | 33 |
| Y.  | Community Services.....  | 34 |
| EMPLOYEE BENEFITS ADDENDUM.....                                     |  | 35 |
| I.  | TIME-OFF BENEFITS.....   | 35 |
| A.  | Paid Time Off (PTO).....   | 35 |
| B.  | Holidays.....  | 36 |
| C.  | Leaves of Absence.....   | 37 |
| D.  | Personal Leave.....  | 38 |
| E.  | Family and Medical Leaves of Absence.....  | 39 |
| F.  | Infectious Illness.....  | 41 |
| G.  | School Conference/Activity Leave of Absence (Minnesota Employees Only).....                | 42 |
| H.  | Minnesota Parental Leave of Absence.....   | 42 |
| I.  | Military Leave.....  | 42 |
| J.  | Minnesota Leave for Families of Mobilized Military Members (Minnesota Employees Only)..... | 43 |
| K.  | Family Military Leave (Nebraska Employees Only).....                                       | 43 |
| L.  | Funeral Leave.....   | 43 |
| M.  | Jury Duty Leave.....   | 44 |
| N.  | Additional Medical Leave (for Employees Not Covered by the FMLA).....                      | 44 |
| II.   | OTHER BENEFITS.....  | 45 |
| A.  | Health Insurance and Voluntary Insurance Benefits.....                                     | 45 |
| B.  | Profit Sharing-401(k) Plan.....  | 45 |
| C.  | 125 Flex Plan/Health Savings Account.....  | 45 |
| D.  | Adoption Benefits.....   | 45 |
| E.  | Employee Assistance Program.....   | 45 |
| F.  | Scholarship Program.....   | 45 |
| G.  | Continuing Education and Training.....   | 46 |
| H.  | Membership in Associated Builders and Contractors.....                                     | 47 |
| I.  | Social Security, Unemployment Compensation, Workers Compensation Insurance, Etc.....       | 47 |
| J.  | Extension of Health and Life Insurance Coverage (COBRA).....                               | 48 |
| K.  | Benefits in General.....   | 48 |
| Benefits Schedule Summary.....                                      |  | 49 |
| Willmar Electric Tool List (Electrical).....                        |  | 50 |
| Willmar Electric Tool List (Mechanical/Maintenance Technician)..... |  | 51 |

## **Introductory Comments About This Handbook And Willmar Electric Service**

We prepared this Employee Handbook as a guide to help you "get acquainted" with Willmar Electric Service (called "the Company" in this Handbook). It will help you to understand the Willmar Electric Service way of doing business, the policies and rules we follow and the benefits of working here. In the Handbook you will find information about your opportunities, benefits, and responsibilities. We hope it will help you feel comfortable with us. We depend on you - your success is our success. The policies and guidelines as presented here are not designed to needlessly restrict you as an individual, but rather to provide the basis for the teamwork that is necessary whenever a group of people work together.

We ask that you read this Handbook carefully and keep it handy for future reference. Some of the information is general in nature, some represents legal or insurance requirements, but all of the written material which appears on the pages following your acknowledgment signature are Company policies and must be observed by all employees. You can obtain more information about the subjects covered and their application to your particular situation from your supervisor and/or from the Human Resources Department. Feel free to ask any questions that come up at any time.

Willmar Electric Service is dedicated to providing our customers with quality products and services and competitive pricing - and to provide you with competitive compensation and a comprehensive benefits package. We are also committed to providing you with as safe a working environment as we possibly can. Always put safety first.

In exchange for your commitment to productivity, customer satisfaction and a positive, team-spirited attitude, we offer competitive compensation and benefits and opportunities for personal and professional growth.

Again, we welcome you as a member of our team. We are glad to have you with us, contributing your abilities, enthusiasm, and suggestions, as we all work together for the continued success of our organization by working efficiently to provide quality products and/or services for our customers.

## **Introductory Comments About Employee-Management Cooperation**

Willmar Electric Service is a merit-shop company. We treat employees with dignity and respect. We believe in honest, straightforward, and direct communication between employees and management. Each individual employee has the right to deal directly with members of management with respect to all working conditions. Management encourages employees to bring problems to the attention of their supervisor or to upper management. Willmar Electric Service will aid and assist employees wherever possible to resolve these problems.

Willmar Electric Service provides excellent working conditions, and quality equipment and facilities. We work to promote quality working conditions and advancement opportunities for each employee. We pay our employees in accordance with their abilities, skills and development. Willmar Electric Service provides comprehensive benefits and strives to maintain competitive wages in our industry.

Employees of Willmar Electric Service are not required to hire or pay any union or other organization to represent them in presenting their problems or questions concerning the policies or working conditions at Willmar Electric Service. Employees are not required to pay any union or other organization dues or other assessments for the right to work for Willmar Electric Service, nor can any such union or organization require the Company to terminate an employee's employment for failure to pay such dues or assessments.

We strongly believe that direct dealings between management and employees without union interference are best for all and more than 87% of American employees have made the same choice. Because of this belief, the Company will actively oppose by all legal means union organizing of employees of the Company.

As a result of the declining percentage of employees voting for unionization, the Democratic leadership in the United States Congress and President Obama are considering the so-called "Employee Free Choice Act" (EFCA) in an effort to help unions reverse this decline and to recruit new members. Under EFCA, also called the "card check bill," employees who are subject to becoming unionized will lose their decades-long right to a secret ballot election for or against union representation. Employees should be aware that signing any card distributed by unions or organizers could result in automatic unionization without the chance to learn what Willmar Electric Service or employee opponents of unionization have to say about unions and without a secret ballot election. It is your decision whether to sign such a card, but the Company urges you not to do so for all of the above reasons.

# I. EMPLOYEE RECEIPT/ACKNOWLEDGMENT AND NOTICE FORM

# EMPLOYER COPY

## INTRODUCTORY COMMENTS ABOUT THE HANDBOOK AND COMPANY

### INTRODUCTORY COMMENTS ABOUT EMPLOYEE-MANAGEMENT COOPERATION

### WELCOME TO WILLMAR ELECTRIC SERVICE

### CRITICAL EMPLOYMENT POLICIES

- A. EQUAL EMPLOYMENT OPPORTUNITY
- B. RESOLUTION OF COMPLAINTS/OPEN DOOR POLICY; LET'S WORK TOGETHER
- C. PROHIBITION OF HARASSMENT RETALIATION
- D. NO COMPAY AUTHORITY
- E. AT-WILL NATURE OF THE EMPLOYMENT RELATIONSHIP
- F. PROTECTEC CONCERTED ACTIVITY

### RULES REGARDING CONDUCT AND DISCIPLINE

- A. RULES REGARDING EMPLOYEE CONDUCT AND DISCIPLINE
- B. ABSENTEEISM/TARDINESS
- C. INCLEMENT WEATHER
- D. MOONLIGHTING/CONFLICT OF INTEREST
- E. FALSE INFORMATION AND CLAIMS
- F. WORKPLACE VIOLENCE; INAPPROPRIATE CONDUCT WEAPONS

### COMPENSATION AND HOUR POLICIES

- A. INTRODUCTORY PERIOD
- B. RESIGNATION/TERMINATION
- C. LAYOFF; REDUCTION IN FORCE
- D. PROMOTIONS AND TRANSFERS
- E. WORKDAY AND BREAK POLICIES
- F. OVERTIME
- G. PAYROLL INFORMATION
- H. PAYROLL DEDUCTIONS
- I. RESOLUTION OF COMPLAINTS REGARDING PAYMENT OF WAGES

### OTHER OPERATING POLICIES

- A. ALCOHOL
- B. DRUGS
- C. SOLICITATION AND DISTRIBUTION; VISITORS
- D. SAFETY AND HEALTH
- E. DRESS CODE
- F. BULLETIN BOARD/NOTIFICATION OF POLICY CHANGES
- G. PHONE, COMPUTER, EMAIL AND INTERNET USE – STANDARDS OF CONDUCT
- H. NOTICE/POLICY ON PRIVACY IN CONNECTION WITH EMPLOYMENT
- I. PERSONNEL INFORMATION
- J. PERSONNEL DATA CHANGES
- K. EMPLOYEE REFERENCE CHECKS
- L. EMPLOYEE PARKING AND SITE ACCESS
- M. COMPANY VEHICLES
- N. COMPANY EQUIPMENT AND TOOLS
- O. POLICY ON USE OF WIRELESS COMMUNICATION DEVICE WHILE DRIVING

## OTHER OPERATING POLICIES (CONT.)

- P. BUSINESS GIFTS
- Q. TESTING/EXAMINATION/BACKGROUND CHECKS
- R. CONFIDENTIALITY
- S. VISITORS
- T. SMOKING POLICY
- U. TRAVEL AND REIMBURSABLE EXPENSES
- V. EMPLOYMENT OF RELATIVES
- W. LIGHT/RESTRICTED DUTY POLICY
- X. PROTECTED HEALTH INFORMATION
- Y. COMMUNITY SERVICES

## EMPLOYEE BENEFITS ADDENDUM

### TIME OFF BENEFITS

- A. PAID TIME OFF (PTO)
- B. HOLIDAYS
- C. LEAVES OF ABSENCE
- D. PERSONAL LEAVE
- E. FAMILY AND MEDICAL LEAVES OF ABSENCE
- F. INFECTIOUS ILLNESS
- G. SCHOOLCONFERENCE/ ACTIVITY LEAVE OF ABSENCE (MINNESOTA)
- H. MINNESOTA PARENTAL LEAVE OF ABSENCE
- I. MILITARY LEAVE
- J. MINNESOTA LEAVE FOR FAMILIES OF MOBILIZED MILITARY MEMBERS (MINNESOTA EMPLOYEES ONLY)
- K. FAMILY MILITARY LEAVE (NEBRASKA EMPLOYEES ONLY)
- L. FUNERAL LEAVE
- M. JURY DUTY LEAVE
- N. ADDITIONAL MEDICAL LEAVE

### OTHER BENEFITS

- A. HEALTH INSURANCE AND VOLUNTARY INSURANCE BENEFITS
- B. PROFIT SHARING – 401(K) PLAN
- C. 125 FLEX PLAN/HEALTH SAVINGS ACCOUNT
- D. ADOPTION BENEFITS
- E. EMPLOYEE ASSISTANCE PROGRAM
- F. SCHOLARSHIP PROGRAM
- G. CONTINUING EDUCATION AND TRAINING
- H. MEMBERSHIP IN ASSOCIATED BUILDERS AND CONTRACTORS
- I. SOCIAL SECURITY, UNEMPLOYMENT COMPENSATION, AND WORKERS COMPENSATION INSURANCE BENEFITS
- J. EXTENSION OF HEALTH AND LIFE INSURANCE COVERAGE (COBRA)
- K. BENEFITS IN GENERAL

### BENEFITS SCHEDULE SUMMARY

### WILLMAR ELECTRIC TOOL LIST (ELECTRICAL)

### WILLMAR ELECTRIC TOOL LIST (MECHANICAL/ MAINTENANCE TECHNICIAN)

My signature below acknowledges that I have received a copy of Willmar Electric Service's Employee Handbook. I acknowledge that I have read the Employee Handbook and understand the policies and rules specified in the pages of the Handbook which follow my signature below, together with any future changes, additions, or deletions to such pages of the Handbook. I understand that the Employee Handbook does not create a contract for continuing employment for a specific period of time or guarantee that my employment will end only under certain conditions. I also acknowledge that my employment relationship with Willmar Electric Service is "at-will" employment as described in the At-Will Nature of the Employment Relationship Section of the Employee Handbook, subject to the exception stated in that Section. I understand that I must protect confidential Employer information as described in the Confidentiality Section of the Employee Handbook, subject to the exception stated in that Section. I acknowledge that this handbook and its managerial guidelines and policies supersede all previous manuals and handbooks, and all other inconsistent employment-related materials, practices, procedures, and representations of terms and conditions of employment with Willmar Electric Service, whether verbal or written, all of which are hereby revoked and rescinded, subject to the exception stated in that Section.

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

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
(Print your Name)

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

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
(Print your Name)

## II. WELCOME TO WILLMAR ELECTRIC SERVICE

**We are a family-owned business founded in 1920**, by the late Sam B. Chapin. Mr. Chapin was an innovative man dedicated to progress and quality workmanship. His policy was simple and direct - make quality electrical installations for a reasonable price. Although the modern world has become more complicated, his basic mission has remained unchanged.

Since 1920, we have grown considerably to become a recognized electrical contractor in the construction industry. In 1946 two of Sam's sons, Elmo and Frank, joined the firm and Willmar Electric Service was incorporated in 1948. John Chapin, Elmo's son, joined the firm in 1968 and his vision was to grow the impact of the firm. David and Justin Chapin, John's sons, became the 4<sup>th</sup> generation of owners in 2007. We are proud of our accomplishments, from our people, to its projects.

**Willmar Electric Service didn't grow by accident.** Clients have trusted our company over the years to give them an excellent product. Because of our highly skilled employees who are dedicated to an excellent product and committed to teamwork, we have been able to give our clients satisfaction and value. High satisfaction and value has resulted in repeat business, Company growth, and continued work for Willmar Electric Service employees.

**Willmar Electric Service is Guided by its Core Principles.** (1) treat others as you want to be treated; (2) merit shop; (3) thrifty; and (4) meet customer needs.

**At Willmar Electric Service, we hope each day** will give you an opportunity to expand your capabilities in the Company and the construction industry. At Willmar Electric Service, you will be working alongside experienced craftsmen and professionals, encouraging you to do the best job possible. We believe in cooperation with employees, owners, architects, engineers and other construction trades to furnish top quality installation consistent with good management. When customers come to us with unique and special problems, we are proud to be able to serve them with flexible and qualified experience and with quality and timely electrical construction.

**Willmar Electric Service is convinced that people are our biggest asset.** These people include managers, estimators, accountants and office support personnel who come to the office every day, as well as project leaders, foremen, and craftsmen who go out to work on the job site. These workers will help us to continue to provide top quality service and win our share of jobs.

Sincerely,

**David Chapin & Justin Chapin**



### III. CRITICAL EMPLOYMENT POLICIES

#### A. Equal Employment Opportunity

Willmar Electric Service (or “the Company”) has not, and will not, violate any law prohibiting discrimination for or against any employee or applicant for employment on the basis of race, color, religion, creed, age, sex, national origin, ancestry, marital status, pregnancy, familial status, disability (including those related to pregnancy or childbirth), membership or non-membership in a labor organization, sexual orientation, genetic information, complaining in good faith to the Company or to a public authority, lawful requests for access to or to make written submissions to one’s personnel file, status with regard to public assistance, or any other characteristic or activity protected under federal, state, or local law. Employees will be evaluated solely on the basis of their conduct, their compliance with the Company’s policies, practices, and reasonable expectations, and their performance.

Willmar Electric Service is committed to reasonably accommodating qualified disabled applicants and employees, including pregnant employees. Each applicant and/or employee will be evaluated on an individual basis with respect to his/her ability to perform the functions of a particular job. Disabled applicants and employees, who are otherwise qualified, may propose any reasonable accommodation to Willmar Electric Service which would enable them to perform the essential functions of their position. Willmar Electric Service will attempt to reasonably accommodate the disability, unless doing so would cause an undue hardship to the Company.

If an applicant or employee believes that he/she, or another applicant or employee, has been unlawfully discriminated against, the individual must bring this to the attention of his/her supervisor or the Equal Opportunity Officer. The Director of Human Resources is Willmar Electric Service’s Equal Opportunity Officer. Employees can bring complaints, ask questions, and raise concerns under this policy without fear of reprisal or retaliation.

This policy applies to all aspects of an employee’s employment with the Company and to all applicants. All employees and applicants are responsible for understanding, adhering to, and strictly enforcing this policy.

#### B. Resolution of Complaints/Open Door Policy: Let’s Work Together

We are concerned about *every* Willmar Electric Service employee, and about every employee’s concerns, questions, or complaints. Willmar Electric Service has the following procedure for responding to employee concerns or complaints. Willmar Electric Service’s procedure has two (2) main goals:

1. Goals
  - a. To ensure that Willmar Electric Service responds to every complaint or concern raised by employees. While employees may not always agree with Willmar Electric Service’s response to a concern or complaint, employees should be assured that Willmar Electric Service will give all complaints and concerns appropriate consideration.
  - b. To improve communication within Willmar Electric Service and provide a means for concerns and complaints to be resolved as described in the following section regarding proper complaint procedure.

Employees who have complaints, concerns, or questions about any aspect of their employment at Willmar Electric Service, including concerns about compensation, benefits or legal compliance by the Company, should use the following procedure:

2. Procedure

- a. In most cases, the procedure for employees who have any concerns, complaints, or questions regarding employment at Willmar Electric Service, is to first talk with their direct supervisor. Often, an informal discussion of such issues will lead to their quick, effective resolution. Employees should be polite, but direct about their concerns. If employees have a concern, complaint, or question which isn't resolved after such an informal discussion, they should proceed as described in Paragraph b. If employees don't feel comfortable approaching their supervisor about their concerns at all, they should bring their concerns to the Equal Opportunity Officer.
- b. Employees are asked to give complaints to their supervisor orally, or in writing, or by email, within fourteen (14) calendar days of the date the problem occurred. If for any reason the employee is not comfortable submitting a complaint to his/her supervisor, the employee should bring the complaint (orally, or in writing, or by email) to the Equal Opportunity Officer, within fourteen (14) calendar days of the date of the problem. A copy of all complaints, including a record of all oral complaints, will be forwarded to Willmar Electric Service's Human Resource Director.

c. Complaint

The complaint should indicate, orally, or in writing, or by email:

- (i) Employee's name, position or department, and schedule.
  - (ii) What the employee is concerned about. Employees should set forth a clear statement of what happened, who was involved, when it happened, why the employee believes it happened, and why it is a problem for the employee.
  - (iii) Any other information the employee thinks is relevant to his/her complaint.
  - (iv) What the employee thinks should be done to correct the problem.
- d. Willmar Electric Service will generally investigate and respond to an employee's complaint within ten (10) to fourteen (14) days. This period may be extended, depending on the facts and circumstances of each case (such as the number of people who need to be interviewed or facts to be investigated).
  - e. Employees should keep the following additional guidelines in mind:

- (i) Employees must not be afraid to speak for themselves. This is an informal procedure and employees may present concerns in their own words. No formal representation of employees by other employees or non-employees is necessary and no retaliation will be permitted against employees who raise concerns or complaints.
- (ii) Complaints and actions taken in response will be handled as confidentially as possible given Willmar Electric Service's obligation to investigate and act upon such complaints or reports.
- (iii) Employees may bring complaints, ask questions, and raise concerns under this policy without fear of reprisal or retaliation. All employees are responsible for understanding, adhering to, and strictly enforcing this policy. Violations of this policy may result in discipline, up to and including termination.

## **C. Prohibition of Harassment and Retaliation**

### **1. Harassment and Retaliation Policy Statement**

Willmar Electric Service is committed to providing a work environment that is free of unlawful discrimination. This policy prohibits harassment or retaliation based upon race, color, religion, creed, age, sex, national origin, ancestry, marital status, pregnancy, familial status, disability (including those related to pregnancy or childbirth), membership or non-membership in a labor organization, sexual orientation, genetic information, complaining in good faith to the Company or to a public authority, lawful requests for access to or to make written submissions to one's personnel file, status with regard to public assistance, or any other characteristic or activity protected under federal, state, or local law. Complaints alleging retaliation or harassment, including but not limited to sexual harassment, based upon any protected characteristics or activity will be handled as described in the Reporting Procedure section.

### **2. Sexual Harassment**

Willmar Electric Service forbids sexual harassment in the work environment. The "work environment" includes all of Willmar Electric Service's premises, and any other locations where Willmar Electric Service-sponsored activities take place, any off-site location where Willmar Electric Service business is conducted, and on social networking sites if Willmar Electric Service, its customers, suppliers, or employees are referenced or included in communications. "Sexual harassment" is defined as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- a. Submission to such conduct is made a term or condition, either explicitly or implicitly, of an individual's employment;
- b. Submission to or rejection of such conduct by an individual is used as a factor in decisions affecting that individual's employment; or
- c. Such conduct has the purpose or effect of substantially interfering with an individual's work performance or creates an intimidating, hostile, or offensive work environment, and the Company knew or should have known of the existence of the harassment and failed to take timely and appropriate action.

### 3. Reporting Procedure

If an employee believes that he/she has been subjected to any conduct or statement that could be viewed as harassment or retaliation, the employee must:

- First: Tell the harasser/retaliator to stop, if you feel comfortable doing so.
- Second: Immediately report the incident to the Company Chief Executive Officer/President, Human Resources Officer, or to the Equal Opportunity Officer.
- Third: If the conduct continues, this should also be immediately reported to one of the above individuals.

If an employee witnesses an incident that might be viewed as harassment or retaliation, the employee must follow steps two (2) and three (3) above.

Any incident, complaint, or report will be investigated, including those arising after an employee's termination of employment. Complaints and actions taken to resolve harassment or retaliation will be handled as confidentially as possible, given Willmar Electric Service's obligation to investigate and act upon such incidents, complaints, or reports.

Employees may bring complaints, ask questions, and raise concerns under this policy without fear of reprisal or retaliation. All employees are responsible for understanding, adhering to, and strictly enforcing this policy. Violation of this policy may result in discipline, up to and including termination.

### 4. Investigation and Recommendation

Willmar Electric Service will, upon receipt of a report or complaint alleging harassment, retaliation, or other inappropriate conduct, authorize an investigation.

In determining whether alleged conduct constitutes harassment, retaliation, or other inappropriate conduct, Willmar Electric Service may consider the surrounding circumstances, the nature of the alleged statements or conduct, the relationships between the parties involved, and the context in which the alleged incidents occurred. Whether a particular action or incident constitutes harassment, retaliation, or other inappropriate conduct, requires consideration of all the facts and surrounding circumstances.

The investigation may consist of personal interviews with the complainant, the individual(s) against whom the complaint or report has been made, and others who may have knowledge of the alleged incident(s) or circumstances giving rise to the complaint or report. The investigation may also include any other lawful methods deemed pertinent by the investigator.

In addition, Willmar Electric Service may take immediate steps, at its discretion, to protect the complainant, witnesses, or other employees pending completion of an investigation.

## 5. Prohibition Against Retaliation

All forms of unlawful retaliation are prohibited, including any form of discipline, reprisal, intimidation or other form of retaliation for participating in any activity protected by law. Willmar Electric Service will discipline any individual who retaliates against any person who complains of or reports alleged harassment, retaliation, or other inappropriate conduct, or who retaliates against any person who testifies, assists, or participates in an investigation, proceeding, or hearing relating to a harassment complaint.

If you are subjected to any conduct that you believe violates this policy, you must promptly speak to, write, or otherwise contact your direct supervisor or, if the conduct involves your direct supervisor, or the Equal Opportunity Officer within ten (10) days of the offending conduct. Additionally, any manager or supervisor who observes retaliatory conduct must report the conduct to the Equal Opportunity Officer so that an investigation can be made and corrective action taken, if appropriate.

## 6. Discipline and Other Appropriate Action

Willmar Electric Service may take any appropriate action it deems necessary to punish harassment, retaliation, or other inappropriate conduct and to prevent reoccurrence of any such conduct. Depending upon the results of an investigation and severity of any incident, Willmar Electric Service may take disciplinary action, up to and including termination, as well as issuing general reminders of its policy, and/or conducting orientation and training sessions. In some cases, referrals may also be made for civil or criminal legal prosecution.

### **D. No Company Authority**

Nonsupervisory employees have no authority to represent, speak for, or bind the Company in any respect, with employees, customers, vendors, government agencies, or the public. Supervisory employees have such authority only within the course of their employment and the scope of their duties, subject to any express limitation communicated to them.

### **E. At-Will Nature of the Employment Relationship**

Willmar Electric Service's Employee Handbook is intended to assist employees in becoming familiar with Willmar Electric Service's policies, procedures, and benefits. This Handbook does not constitute a promise or guarantee that employment will continue for a specified period of time or end only under certain conditions. Unless expressly modified by a written agreement, employment at Willmar Electric Service is a voluntary employment-at-will relationship, and nothing in this Handbook is intended to create an expressed or implied contract of employment for a definite period of time or a promise or guarantee of any benefit. Employees have the right to terminate their employment relationship for any reason, with or without cause or notice, at any time, and Willmar Electric Service has the same right (for any lawful reason or any reason not otherwise protected under local, state, or federal law).

From time to time Willmar Electric Service may unilaterally, in its discretion, amend, supplement, modify, eliminate, or make an exception to, one or more of the benefits, rules, or policies in this Handbook, with or without prior notice. However, Willmar Electric Service will attempt to provide as much advance notice as practicable prior to the implementation of any general changes or modifications by posting such changes on the official Willmar Electric Service Bulletin

Board and/or by distributing written and/or electronically distributed information on the changes to Willmar Electric Service employees.

No supervisor or manager has the authority to change this Handbook. Any final decision regarding interpreting or changing Willmar Electric Service's policies rests with Willmar Electric Service's CEO/President. Only Willmar Electric Service's President has the authority to make any individual agreement or, where applicable, collectively bargained agreement contrary to this policy, and any such agreement must be in writing and signed by the CEO/President of Willmar Electric Service. This Handbook replaces all of the Company's previous materials, policies, and handbooks whether written or verbal concerning employment or working relationships between employees and the Company (except written individual or, where applicable, collectively bargained agreements signed by the Company's CEO/President).

#### **F. Protected Concerted Activity**

Nothing in this Handbook, including but not limited to its confidentiality, visitors, distribution, no solicitation, discipline and electronic communications (email, voicemail, internet use, social media, etc.) policies, is intended to interfere with or restrict employees' rights to lawfully engage in or refrain from engaging in protected, concerted activity under the law such as pursuing grievances, criticism or complaints about wages, benefits, working conditions or employer policies, supporting or opposing union organizing, and/or collective bargaining, or other lawful group action, without fear of reprisals.

### **IV. RULES REGARDING CONDUCT AND DISCIPLINE**

#### **A. Rules Regarding Employee Conduct and Discipline**

Willmar Electric Service's Employee Conduct and Discipline Rules are designed to provide notice of the Company's expectations for all of its employees. Willmar Electric Service requires that its employees obey these Rules of Conduct, which are intended to protect the interests and safety of all employees and of the organization, as well as customers, vendors and other business partners, and the public.

Willmar Electric Service reserves the right to handle each disciplinary situation as it deems necessary, including the right to discipline and terminate employees for any reason, including reasons not specified here, with or without cause, notice, or prior warning or discipline, at any time, as described more fully in the At-Will Nature of the Employment Relationship Section above. Employees are responsible for knowing, understanding, and adhering to these Rules. No employee is guaranteed prior warning or discipline before termination, although there will typically be such warnings or prior discipline. Discipline may include, but is not limited to, verbal or written warnings, paid or unpaid suspensions, prospective reductions in pay, demotions, transfers, ineligibility for promotions, benefits, or raises, counseling or other required conditions for retaining employment, last chance warnings, or termination, without opportunity for reemployment. Since it is not possible to provide an exhaustive list of unacceptable conduct or omissions, the following is a nonexclusive list of examples of conduct and omissions that may result in discipline, up to and including termination of employment:

1. Inadequate performance, failure to work efficiently, to produce satisfactory results, or to meet reasonable Willmar Electric Service production and/or quality standards.

2. Failure to communicate directly with one's supervisor in advance of an absence, and daily during any absence of more than one (1) day.
3. Unacceptable absenteeism or tardiness.
4. Leaving the Company premises prior to the completion of scheduled or approved overtime hours without the specific prior permission of one's supervisor.
5. Failure or refusal to follow instructions or directives from supervisors or management.
6. Failure to follow safety or health rules, to wear appropriate safety or personal protective equipment, to immediately correct or report an unsafe condition or safety violation, or to report injuries and/or accidents as soon as possible after they occur.
7. Inappropriate or unauthorized use, removal, misappropriation, possession, destruction, neglect or abuse of employee, Willmar Electric Service, or others' tools, products, supplies, money, documents, property, or equipment.
8. Possession, consumption, or transfer of alcohol or drugs on the job, reporting for work or working under the influence of either drugs or alcohol, or refusing or failing a drug or alcohol test, or interfering with the test.
9. Threats, threatening language, insubordinate behavior, verbal or physical intimidation, fighting, threats, or violence.
10. Unprofessional, discourteous, or disrespectful behavior to current or prospective customers, vendors, other business partners, or members of the public while in the course of Company business.
11. Personal possession or use of Willmar Electric Service tools, materials, supplies, products, documents, property, or vehicles without the specific, prior permission of a supervisor or manager.
12. Working on personal matters during working time.
13. Engaging in any other business or employment that conflicts with or interferes with an employee's responsibilities to Willmar Electric Service.
14. Discussion of doing work on the employee's own account for Willmar Electric Service customers or engaging in such work.
15. Unauthorized disclosure of confidential, trade secret, or proprietary information, including protected health information which is not otherwise available to persons or firms outside Willmar Electric Service, regarding the Company or its customers in violation of the Confidentiality Section.
16. Violation of any Willmar Electric Service policy, including the policies on discrimination, harassment, and retaliation, related to conduct or behavior.

17. Providing false or misleading information to Willmar Electric Service, such as employment application information, including, but not limited to, information about prior employment and qualifications, criminal record, absences, time worked, expenses, leave requests, or in response to requests for information.
18. Inaccurately reporting or recording one's own time, reporting (whether accurately or not) the time of another employee, allowing one's own time to be reported (whether accurately or not) by another person, working overtime hours which have not previously been approved by a direct supervisor, or working overtime hours without reporting them.
19. Disorderly, dangerous, wasteful, or careless conduct.
20. Sleeping during working hours.
21. Failure or refusal to perform assigned duties, mandatory overtime, scheduled hours, or to travel to or from, or to report to any assigned project or work site.
22. Gambling on Willmar Electric Service premises (including Willmar Electric Service's parking lots and work sites).
23. Possession or use of firearms, explosives, weapons, or other dangerous or unlawful materials or contraband on Willmar Electric Service property (including Willmar Electric Service parking lots and project or work sites) without the specific prior permission of the CEO/President of Willmar Electric Service, unless otherwise permitted by state law.
24. Making false and malicious or derogatory statements concerning clients, customers, and vendors of Willmar Electric Service.
25. Entering or remaining in production or work areas before or after the completion of one's scheduled or overtime hours, or during non-work periods, without prior notice to one's supervisor or a manager.
26. Non-work related use of Willmar Electric Service telephones, facsimiles, mail, copiers, computers, "smart phones," or other equipment, except in emergencies.
27. Smoking in an unauthorized area.
28. Failure to observe traffic and parking rules on vendor, customer, other business partner or Willmar Electric Service property or at project or work sites.
29. Failure or refusal to work cooperatively with other employees.
30. Uncooperative, rude, or offensive treatment of vendors, customers or other business partners in person, in writing, electronically, or by phone.
31. Failure to provide prior notice to one's supervisor that an employee is taking medications which may affect his/her work performance or create a safety risk.



32. Committing a gross misdemeanor, felony, or serious regulatory offense, or any similar act or omission, whether on or off duty, which adversely affects Willmar Electric Service by bringing Willmar Electric Service into disrepute, by exposing Willmar Electric Service to the risk of liability or expense, by undermining the employee's ability to effectively perform his or her duties, or by reducing customer, vendor, business partner, or coworker confidence in the employee.
33. Violation of any Employer policy, rule, practice, or standard, failure to meet standards or reasonable expectations of the Company, or any other conduct which Willmar Electric Service lawfully determines to be adverse to its business interests.

The above rules and standards of conduct are general in nature and are not intended to be all-inclusive. Employment with Willmar Electric Service is "at-will" employment, which means that continued employment requires the mutual consent of Willmar Electric Service and the employee, as described in this Handbook. Either the employee or the Company may terminate the employment relationship for any reason, with or without cause, notice, or prior warning or discipline, at any time.

## **B. Absenteeism/Tardiness**

Employees are expected to report for work on time and with a minimum of absences. Good attendance habits are an integral part of every employee's job description. Unnecessary absenteeism and lateness is expensive, disruptive, and places an unfair burden on other employees and supervisors. Unsatisfactory attendance will adversely affect an employee's opportunity to be retained, promoted, receive pay increases or certain benefits, and will result in disciplinary action, up to and including termination of employment.

If employees are going to be late or absent for any reason, they must personally telephone their supervisor directly prior to and as far in advance of their starting time as possible. Advising a supervisor of an absence by leaving a voicemail or text message is acceptable notification for these purposes. Employees must explain why they are going to be absent and when they expect to return to work. It is each employee's responsibility to ensure that proper notification is given. An excused absence occurs only when the Company approves an employee's request for leave which is: (1) provided by the Company pursuant to this Handbook (including PTO use); (2) legally mandated; or, (3) supported by another reason determined to be sufficient by the Company. The Company reserves the right to require satisfactory documentation or substantiation of reasons for employee absences or lateness for work. Employees must communicate directly with their supervisor daily during any period of absence about their status, condition, expected date of return to work, and other relevant information requested by their supervisor, unless written approval of a leave with a stated duration has been granted.

If an employee is absent for three (3) consecutive days without notifying his/her supervisor, or after notice but without the supervisor's approval of a satisfactory reason for the absence, it will be treated as a resignation or job abandonment and employment will be automatically terminated.

## **C. Inclement Weather**

Occasionally, the Company's business hours may be altered or operations may be reduced or temporarily closed down due to inclement weather or emergency conditions. If threatening weather is forecast or occurs, an employee should contact the office for more information prior to his/her start time. If such an event occurs after the business day commences, employees may be

sent home at the discretion of Willmar Electric Service. Employees who elect to stay home, or to leave when operations are continuing, without permission, will be considered absent without excuse.

**D. Moonlighting/Conflict of Interest**

Moonlighting (engaging in other employment or self-employment while working for Willmar Electric Service) in any activity which could conflict with an employee's commitments to Willmar Electric Service, or with Willmar Electric Service's interests, is prohibited. If employees are considering outside employment, they must provide notice and obtain approval from their supervisor prior to starting the outside employment. Approval will only be granted in cases in which it is clear that the outside employer is not a competitor of Willmar Electric Service, and that the outside employment will not conflict with the Company's interests or interfere with the employee's work performance, rest, or availability for work at Willmar Electric Service, including overtime work. Willmar Electric Service's work requirements, including any Company overtime, must take precedence over any outside employment, even when approved. Employees should also avoid any non-employment outside activities which conflict with or interfere with the employee's rest or availability for scheduled or likely overtime work. If a conflict occurs, employees will be asked to make a decision to prioritize their employment at Willmar Electric Service as compared to the other activities.

**E. False Information and Claims**

Willmar Electric Service will not pay medical, income replacement, or other benefits for injuries or sicknesses resulting from other employment or self-employment, or from outside activities, and will resist all other false, frivolous, or meritless claims, charges, complaints, and allegations. Providing false information to the Company, or to any attorney, investigator, health care or treatment provider, insurer, or government agency or tribunal, in connection with a claim for benefits, or in pursuit of any other legal remedies, or acting in bad faith in connection thereto, will result in civil and/or criminal prosecution, forfeiture of benefits and/or civil damages, and costs and attorneys' fees when applicable, in addition to discipline. Filing a charge or complaint, proceeding with other legal remedies, or cooperating with a governmental investigation, in good faith and without falsification of facts, will not constitute a violation of this policy and will not be grounds for discipline.

**F. Workplace Violence; Inappropriate Conduct; Weapons**

Willmar Electric Service's policy is to promote and maintain a work environment that is safe, secure, and free from violence, threats of violence, harassment, intimidation, and other inappropriate and disruptive behavior.

Physical violence, threats of physical violence, harassment, intimidation, and other disruptive behavior in Willmar Electric Service's workplace or involving Willmar Electric Service's employees, vendors, customers or other business partners will not be tolerated, nor will improper possession, transporting, brandishing or using weapons, including but not limited to all firearms (except in the case of a firearm in an employee's personal vehicle for which the individual has a state-issued carry permit, or under other circumstances permitted by state law), knives, explosives, or any devices which are likely to produce bodily harm and which Willmar Electric Service, at its discretion, deems dangerous. Employees should be on notice that the Company bans guns on its premises, and that the Company may post signs in accordance with state law regarding the restriction of firearms. In addition to actual physical violence and weapons possession, such

behavior includes but is not limited to, oral or written statements, gestures, or expressions that communicate a direct or indirect threat of physical harm. Individuals who commit such acts may be removed from the premises and may be subject to disciplinary action, up to and including termination, as well as possible civil and criminal penalties.

All complaints of violations of this policy will be investigated and dealt with appropriately. All Willmar Electric Service employees are responsible for notifying their supervisor or another manager of any behavior of which they become aware which may represent a violation of this policy.

## **V. COMPENSATION AND HOUR POLICIES**

### **A. Introductory Period**

New employees are introductory until they have completed three (3) months of service with Willmar Electric Service. The introductory period is designed to give new employees an opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Willmar Electric Service uses this period for an initial evaluation of employee capabilities, work habits, productivity, performance, and adherence to Company policies, practices, and rules. An employee's introductory period may be extended at Willmar Electric Service's sole discretion for a fixed additional period. Willmar Electric Service may review employees' performance after a transfer or promotion to a new position. These reviews generally occur three (3) months after the transfer or promotion.

All employees remain "at-will" both during and after the introductory period, and both Willmar Electric Service and the employee retain the same rights regarding the termination of employment if the employee is retained after that period. Thus, completion of the introductory period does not alter an employee's at-will status (see Section above).

### **B. Resignation/Termination**

Termination of employment is an inevitable part of personnel activity within any organization. Examples of some of the most common circumstances under which employment is terminated include:

**RESIGNATION/RETIREMENT** - voluntary employment termination initiated by the employee, including abandonment of employment without prior notice, or with notice, but without approval, for three (3) or more work days.

**DISCHARGE** - involuntary employment termination initiated by Willmar Electric Service for reasons other than those described below under Layoff, Reduction In Force.

**LAYOFF, REDUCTION IN FORCE** – involuntary employment termination initiated by Willmar Electric Service due to lack of work or funds, elimination of position, changes in Willmar Electric Service's organizational structure or operations, business setbacks, or seasonal reduction in operations.

Since employment with Willmar Electric Service is based on mutual consent, Willmar Electric Service reserves the right to terminate any employee's employment at-will, for any reason, with or without cause, notice, or prior discipline, at any time (see Section above). Employees have the same right. Employees will receive their final termination pay by mail or direct deposit (if

previously authorized) at the next scheduled payday after termination, unless another form of payment is requested in writing at the time of termination.

In the event an employee should resign/retire, then he/she is requested, but not required, to provide two (2) weeks' advance notice of his/her decision for hourly personnel and thirty (30) days advance notice for salaried personnel. Upon receipt of an employee's notification of resignation/retirement, an exit interview may be scheduled to resolve outstanding issues such as final pay, payment of employee debts, return of any Company property within the employee's possession, status of any postemployment obligations of the employee, and any concerns of the employee. The effective date of resignation/retirement may be advanced by the Company to an earlier date.

All pay and benefits, and eligibility for recall, reemployment, or reinstatement, terminate upon resignation, retirement, discharge or layoff/reduction in force, unless the employee is eligible for and elects COBRA continuation, in which case only COBRA-eligible benefits may be continued and only if the employee's premium payments are timely received in full for each month of continuation desired. Employees who fail to return from a leave of absence will be treated as having resigned as of the date the leave commenced and will be required to reimburse the Company for any benefits provided during the leave.

### **C. Layoff; Reduction in Force**

Employees may be laid off under certain circumstances, including but not limited to a lack of work or funds, elimination of position, changes in Willmar Electric Service's organizational structure or operations, or seasonal reduction in operations. If layoffs or reductions in force occur, the selection of persons to be laid off will be at Willmar Electric Service's discretion based upon an evaluation of relevant factors, including, but not limited to, merit, prior disciplinary, attendance and performance record, qualifications, business requirements, efficiency, and seniority, as determined solely by Willmar Electric Service's management. Willmar Electric Service may, to the extent circumstances permit, provide prior notice of such layoffs or reductions in force. However, Willmar Electric Service does not guarantee such notice, and reserves its at-will right to terminate for any reason, with or without cause, notice, or prior discipline (see Section above). There are no recall or reemployment rights at Willmar Electric Service, although former employees in good standing who are laid off or subject to reduction in force are free to apply when the Company is again seeking applicants. Applicants and former employees who receive, but fail to accept or decline offers of employment, are ineligible for further consideration for employment.

### **D. Promotions and Transfers**

Willmar Electric Service will seek to fill new or vacant positions from within the Company by promoting qualified employees. Most new employment opportunities will be posted. If an employee is interested in a posted opportunity, he/she should submit his/her internal application according to the instructions on the job posting. Internal candidates will be recruited, interviewed, and hired in accordance with the Company's equal employment opportunity policy.

If there are no interested employees within Willmar Electric Service who the Company determines to be qualified to fill a new position or vacancy, or if Willmar Electric Service determines, in its sole discretion, that "outside" hiring is necessary, it reserves its right to select an applicant from outside the Company.

## **E. Workday and Break Policies**

A typical work day consists of eight (8) hours. A typical work week consists of five (5) consecutive work days for a total of forty (40) hours. Because of the nature of Willmar Electric Service's work and the need to coordinate working hours with a wide range of vendors, customers and other business partners, changes in work schedules and work locations, required overtime, and travel, sometimes for long durations, may be necessary. The Company's office will be open from 8:00 a.m. to 4:30 p.m. Monday through Friday.

All salaried, exempt employees are expected to work a minimum of forty (40) hours per week and more time as required to perform assigned duties without additional compensation.

Employees' actual work schedules will be assigned or approved by their supervisor or manager. Commissioned salespersons and independent contractors are free to set their own work schedules consistent with business requirements, but may wish to conform to Willmar Electric Service's office schedule on days they are in the office to facilitate their communications with Company employees.

The Company recognizes the need for periodic "rest break" periods which should not exceed fifteen (15) minutes each during each four (4) hour segment of the work day. Established rest break times and a longer mid-day unpaid period for a meal will generally be scheduled by the employee's supervisor. If they are not, employees may set their own times for breaks, but must notify their supervisor prior to taking a break. Employees are required to take a half hour for their meal period and are not permitted to combine break times with the meal period. Employees are also prohibited from "working through" the meal period or breaks, or from taking their meal or breaks at the end of their shift to leave work early. Hourly, non-exempt employees must record on their time cards their actual start and stop times for each rest break and meal period, and are not to record simply "8 hours," "10 hours," or the like. Breaks of fifteen (15) minutes or less are paid, but meal periods are not.

## **F. Overtime**

Hourly, non-exempt workers will be paid overtime at the rate of one and one-half (1 1/2) times the applicable wage for all hours actually worked in excess of forty (40) hours per work week, based upon the wage rate applicable to the work actually performed during the overtime hours. Holidays, PTO, workers' compensation or other leave, or any other absence will not be considered "hours worked" for purposes of overtime calculations. Salaried, exempt employees will not be reimbursed for work performed in excess of forty (40) hours per week.

Overtime pay will be paid at the time-and-one-half rate, except in the following case, when employees will be paid double time:

An hourly, non-exempt employee who work their scheduled hours during the workweek AND works a designated holiday on a time and materials job (New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas), and the customer is obligated to pay double time rates.

With the exception of this situation described above, all overtime will be paid on a time-and-one-half basis. Exempt, salaried employees will not be reimbursed for work performed in excess of 40 hours per week.

All hourly, non-exempt Willmar Electric Service employees who are eligible for overtime compensation, and who have actually worked in excess of forty (40) hours in a week, will receive overtime compensation. Hourly, non-exempt Willmar Electric Service employees shall not perform work of any kind, for any reason, unless their time is recorded on their time record for pay purposes. No work "off the clock" is permitted. All regular and overtime hours that have not previously been scheduled by the Company must be preapproved by a direct supervisor prior to being worked.

### **G. Payroll Information**

Employees will be paid weekly for the pay periods starting on Monday and ending on Sunday. Hourly payroll distribution will follow the close of the payroll period, and generally will take place by the Friday of the next week.

Pay for hourly employees is computed from time recorded by either employees or the supervisor onsite. Employees must use the time clock at their job sites to record time worked. Employees must clock in at the beginning of the work day, clock in and out for lunch breaks, and clock out at the end of each day. Employees must personally clock in and out, and cannot request that a co-worker clock in or out on the employee's behalf.

All employees will be paid by check or direct deposit payable to the employee only. The Company will not issue employee paychecks to third parties. Employee paychecks will be given only to the employee, unless direct deposit is offered and authorized. The Company will not pay any employee in cash, nor will the Company cash any employee payroll or personal check. Advances on pay will generally not be made, except in the Company's sole discretion, and then only to employees in good standing, for emergency situations.

### **H. Payroll Deductions**

Normal payroll deductions for federal and state income tax, FICA, and Medicare will be automatically made based upon information provided to the payroll department by the individual employee. Other payroll deductions required or permitted by law (for example, for garnishments, child support, advances on pay or expense reimbursements, PTO, or when approved, or monies or property owed to the Company) will also be made where appropriate. Employees are required to sign authorizations for such payroll deductions as a condition of continuing employment.

### **I. Resolution of Complaints Regarding Payment of Wages**

Willmar Electric Service abides by all state and federal laws governing the payment of wages. Any employee who believes that he or she has not been paid correctly must immediately make a report using the procedure set forth in Section above on the Resolution of Complaints/Open Door Policy. Willmar Electric Service will investigate any such claims and adjust pay if appropriate.

## **VI. OTHER OPERATING POLICIES**

This section is included to give Willmar Electric Service employees a general overview of the standards of conduct and cooperation that the Company considers necessary to create and maintain high standards of efficiency, quality, productivity, service, and safety, in order to satisfy customers, and to protect the general public and other workers. These policies are intended to

serve as general guidelines, but Willmar Electric Service reserves the right to enforce other standards and expectations it deems appropriate which are not specified here.

**A. Alcohol**

Consumption of alcohol during the work day, including breaks and meal periods, or at any time on Willmar Electric Service premises (including Willmar Electric Service parking lots), within Company vehicles, or at any customer, vendor, business partner, or other project or work site, is prohibited, except for refreshments served by licensed personnel during (1) Company sponsored events conducted for customers, or (2) occasional Company sponsored employee functions. On those occasions, all employees are expected to act responsibly and to exercise prudence in the amount of alcohol they consume.

Apart from these limited exceptions, the possession, storage, transfer, or consumption of alcoholic beverages, or being under the influence, during the work day, including breaks and meal periods, or at any time on Company premises (including Company parking lots), within Company vehicles, or personal vehicles used for Company business, or at any customer, vendor, business partner, or other project or work site, or in any other location while working, is a violation of this policy and will also result in discipline, as well as possible regulatory, civil, and/or criminal penalties. Employees may also be subject to a lawful drug and alcohol testing policy.

**B. Drugs**

Drugs are defined as (i) illegal controlled substances as defined by state law (including marijuana); (ii) legal controlled substances that are being used or possessed illegally; or, (iii) legal controlled substances that could adversely affect the ability of the Employee to perform his or her job safely. Employees are prohibited from possessing, storing, transferring or using drugs, or reporting for work under their influence. The only limited exception to the prohibition against drugs is prescription drugs used in accordance with a valid prescription. Employees who take over-the-counter medication or other lawful medication that can be legally prescribed under both federal and state law should inform their supervisor if they believe the medication will impair their job performance, safety, or the safety of others or if they believe they need a reasonable accommodation before reporting to work while under the influence of that medication.

**C. Solicitation and Distribution; Visitors**

In order to prevent disruption of Willmar Electric Service's operations and provision of products and services, violations of safety, insurance and customer requirements, harassment of employees, and litter, the following rules apply to verbal solicitation and distribution of materials (written, electronic, graphic, audio, or video):

No distribution of non-work-related materials of any kind will be permitted in any work areas at any time. No verbal solicitation is permitted in any work areas during working time, which does not include scheduled break periods, meal times, or the time before starting or after quitting.

In non-work areas, any solicitation or distribution of any kind is prohibited by or to employees who are scheduled for working time. Solicitation or distribution of materials in non-work areas, by and to employees who are not scheduled for working time, is permitted.

Nonemployees are subject to the same rules stated above and, in addition, are prohibited from entering and from soliciting or distributing materials at any time on any Willmar Electric Service property or Willmar Electric Service customer, vendor or business partner sites which are not open to public use, unless they have a legitimate business purpose to visit such locations and they provide prior notice of their intention to do so to the property manager or site superintendent.

#### **D. Safety and Health**

The Company requires all of its employees to “work safe” and to assist the Company in avoiding workplace conditions or practices which might cause an accident. Employees are required to immediately report to their supervisors any unsafe condition or practice, or report any injury or accident as soon as possible, no matter how minor, whether they are involved or witness the incident, or become aware of the incident later. Be health, safety, and fire-prevention conscious.

Personal hygiene and clean work areas make for a more pleasant, as well as a safer, place to work. Employees are required to wash or sanitize their hands before returning to work after visiting the toilet areas and before dispensing any food or beverages. Employees in all departments should also keep their work areas and/or work sites as neat and orderly as possible. Please place all litter from lunches, scrap production debris, and other waste in appropriate receptacles.

Employee safety and health are important to the Company. All OSHA regulations and Company safety rules must be followed by all employees. Any employee who is furnished safety equipment by the Company will be required to wear such safety equipment at all times while doing the work for which the equipment is furnished. Safety equipment furnished by the Company, which is damaged or worn out in use, will be replaced free of charge, provided the worn or damaged equipment is turned in when the new equipment is issued. Employees who abuse or lose equipment, however, will be subject to discipline.

The Company prohibits any form of discipline, reprisal, intimidation, or retaliation for:

- Reporting a violation of the Company’s safety rules, a hazardous condition, or other safety concern.
- Reporting an injury or illness.
- Reporting an incident, accident, or near miss.
- Participating or cooperating in any investigation related to a safety issue, injury, illness, accident, or near miss.

If you believe that you or a coworker has been retaliated against for reporting a safety concern, injury, illness, accident, or near miss, you must report this conduct to your direct supervisor.

Be health, safety and fire-prevention conscious.

#### **E. Dress Code**

Dress and personal appearance contribute to the morale of employees, promote a safe and productive work environment, and affect the business image Willmar Electric Service presents to customers and visitors. During business hours, employees are expected to present a clean, well-groomed appearance and to dress according to the requirements of their positions. Employees should consult with their supervisor if they have questions as to what constitutes appropriate attire for their position. Employees who arrive for work inappropriately dressed will be sent home and directed to return to work in proper attire and will not be compensated for the time away from work.



Inappropriate dress includes skin tight garments, clothing which exposes the body (i.e., muscle shirts, briefs, halters, see-through clothing, inappropriately short skirts or short shorts, or plunging necklines), and any kind of clothing with racially, sexually, or otherwise offensive legends or slogans. Employees are also prohibited from wearing body piercing jewelry (except for earrings), which is visible, including but not limited to, eyebrow, tongue, abdomen, and nose jewelry. For safety reasons, production, technical, or service workers are prohibited from wearing loose or hanging exposed jewelry (including earrings, bracelets, or necklaces). Production, technical, and service workers' dress must also meet safety standards, and such employees must wear Company uniforms if supplied by the Company.

#### **F. Bulletin Board/Notification of Policy Changes**

Please check the official Company bulletin board, electronic notice, website, and/or email regularly for important notices, including information on safety and changes in policies, practices, and benefits. Only official Company notices may be posted in this manner.

#### **G. Phone, Computer, Email, and Internet Use – Standards of Conduct**

This policy governs access and use of the Company's computer, computer communication, Internet, intranet, e-mail, voicemail, facsimile, cell phone, and other communication devices (referred to throughout this policy as "Company Electronic Devices"), and all similar employee personal electronic devices, (referred to throughout this policy as "Personal Electronic Devices"). This policy applies to all Company employees and non-employees (including customers, vendors, business partners, and their employees and applicants) who use or may use either a Company or Personal Electronic Device for business purposes.

The Company reserves the right to restrict or revoke employee or non-employee access to all Company Electronic Devices at any time or Personal Electronic Devices during work time. Violation of this Policy will result in discipline up to and including termination, as well as possible civil and/or criminal prosecution. In the case of a non-employee, violation of this Policy will result in cancellation of the applicable business relationship or contract, as well as possible civil and/or criminal prosecution.

##### **1. Use, Restrictions, Monitoring, and Access of Company and Personal Electronic Devices.**

Company Electronic Devices may only be used for lawful, authorized work-related purposes. Personal Electronic Devices may only be used during work hours for lawful authorized work-related purposes.

The Company restricts, and will monitor Company and/or Personal Electronic Devices used for business purposes or during working time for reasons including, but not limited to: ensuring that the electronic and telephonic systems are being used in compliance with this Policy; monitoring performance, productivity, customer service, and compliance with Company policies; and investigating conduct or behavior which may be unlawful, inconsistent with an approved business purpose, may adversely affect the Company, or may jeopardize the welfare of employees, vendors, customers, business partners, or third parties.

The Company retains the right to monitor, access, retrieve, and disclose the content of personal communications sent or received on all Company Electronic Devices or Personal Electronic Devices used for business purposes or during work hours, even if it is from a personal

account, password-protected, and/or designated confidential, private, and/or privileged, for the above-stated business purposes. By using Company or Personal Electronic Devices during work time, the user acknowledges that the systems, communications, and/or data contained on such systems, are Company property and are to be used for authorized business purposes only (except for appropriate personal use during non-work time). The employee consents to monitoring, access, retrieval, and disclosure by the Company, and acknowledges the Company's right to monitor and access Company and/or Personal Electronic Devices.

Employees may not use Company or Personal Electronic Devices while driving except as expressly set forth in the Policy on Use of Wireless Communication While Driving section of this Handbook.

## 2. Additional Guidelines for Company Electronic Devices.

The following additional guidelines should be observed regarding use of all Company Electronic Devices outside of the office (i.e. cell phones, laptops, iPads, smart phones, tablets, etc.):

- The device is to be used only by the employee. During work hours the device is only to be used for business purposes.
- Personal communications should be the exception and the duration of such usage must be limited.
- Nonexempt employees are prohibited from using Company Electronic Devices outside of the normal work day, unless they receive advanced permission from their direct supervisor. All non-exempt employees must keep track of all work time spent using a Company Electronic Device by filling out a time sheet.

## 3. Social Media.

The Company prohibits employee use of social media during working hours, except for employees who are authorized to engage in social media use on behalf of or for the Company. When engaging in social networking, blogging or otherwise posting any information on the internet, during or outside of working hours, employees must abide by the Code of Conduct for Electronic Communications as well as all other workplace rules in this Handbook for all conduct that may be directly or indirectly attributed to the Company. This policy is not intended to prohibit protected activity under state or federal law (see Section above).

## 4. Use of Company Email Systems.

The Company's email system is intended to be used principally for authorized business purposes. Occasional employee use of the email system for personal and non-business purposes is permitted, provided that such use is limited to non-working time, does not interfere with other employees' work, does not create a risk of harm to the Company's computer systems (i.e., risks of viruses, malware and the like), and otherwise complies with the Company's Code of Conduct for electronic communications. The Company reserves the right to monitor all employee email communications on the Company's email system for purposes of compliance with these requirements, and employees should be aware they have no right to privacy in those communications.

## 5. Code of Conduct for Electronic Communications.

The Company strictly prohibits the use of Company and/or Personal Electronic Devices to access, create, distribute, store, solicit communications, or store data that:

- is objectively hostile, foul, defamatory, pornographic, intimidating, threatening, or similarly inappropriate;
- threatens, harasses, or disparages others based upon any characteristic or activity protected under federal, state, or local law;
- constitutes or relates to unwelcome sexual advances, requests for sexual favors, sexual flirtation, or other conduct of a sexual nature;
- discloses confidential, trade secret, or proprietary information, including protected health information which is not otherwise available to persons or firms outside Willmar Electric Service, concerning the Company or its customers, vendors or business partners to any third party, except as required for performance of the employee's official duties in the course of his/her employment;
- solicits, advocates, or responds to solicitation or advocacy which is not directly associated with Company business during working time;
- may restrict system bandwidth or lines available or reduce business availability;
- is beyond the scope of his/her authorization or that misappropriates or misuses Company information;
- states a position on the Company's behalf or otherwise communicates on behalf of the Company without prior written Company authorization;
- links any blog, web page, or website to the website of the Company without prior written approval from the CEO/President of the Company; or
- installs, transfers, or downloads outside electronic data, programs, or components onto the Company's media systems, or from the Company's media systems onto an employee's personal media systems without the express written approval of the Company's CEO/President.

Usage in violation of these provisions or any other Company workplace rule constitutes unauthorized usage. Any employee who accesses Company information which is beyond the scope of his/her authorization or who misappropriates or misuses Company information will be deemed to have engaged in unauthorized use.

## H. Notice/Policy on Privacy in Connection with Employment

The Company reserves the right to investigate and to interview employees in the course of implementing and enforcing the policies of the Company, to require truthful answers to inquiries in connection with such investigations and interviews, to administer tests, to conduct searches of employees' persons, vehicles, work stations and locations, furniture, clothing, purses, briefcases, luggage, lockers, toolboxes, personal items and other possessions, mail addressed to employees at work, documents, computer, e-mail, voicemail, personal digital assistant, Internet and telephone communications – including those which are conducted using a personal account and/or are password-protected – and databases, and any and all other articles or information within their possession or control while employees are on duty, on Employer or customer, vendor or business partner property, or while operating or being transported in a commercial motor vehicle or any other vehicle used, at that or any other time, in the service of the Company, and to conduct lawful audio and video surveillance of employees. The Company may, in its sole discretion, take into custody or retrieve forensically any items or information which it deems to represent possible evidence of a violation of its policies or local, state, or federal law. An

employee's interference, noncooperation, or refusal to submit to such investigations, interviews, searches and seizures, forensic retrievals, or to required tests, may lead to disciplinary action up to and including discharge. The Company's employees should have no expectation of privacy while performing duties for the Company, while on Employer, customer, vendor or business partner premises (including parking lots), on project or work sites, or while in an Employer vehicle or personal vehicle used in the service of the Company.

#### **I. Personnel Information**

Willmar Electric Service maintains a personnel file on each employee containing relevant employment records. The personnel file includes such information as the employee's job application, records of any training, documentation of performance appraisals, absence, discipline, wage and salary history, and related information.

Personnel files are the property of Willmar Electric Service, and access to the information they contain is monitored. Generally, only supervisors and management personnel of Willmar Electric Service, and third parties authorized by the Company or the employee who Willmar Electric Service deems to have a legitimate reason to review information in a file, are allowed to do so.

Employees who wish to review their own file should contact the Human Resources Representative. With reasonable advance written notice, employees may obtain copies of, or review their own personnel files in Willmar Electric Service's offices in the presence of an individual appointed by Willmar Electric Service to maintain the files, once every six (6) months, and once every twelve (12) months following termination. Employees may also disagree with any items to be included in their file and submit their own statement to the file if the dispute cannot be resolved. Applicable law and statutory remedies, as well as Company policy, protect employees' access and contest rights to personnel information, including the employee's right to disclose or discuss his or her wages, or the wages of another employee who freely shares wage information with the employee. No employee access to personnel files other than that specified in this policy is permitted.

#### **J. Personnel Data Changes**

It is the responsibility of each employee to promptly notify Willmar Electric Service of any changes in personnel data. Personal mailing addresses, telephone numbers, marital status, number of dependents, individuals to be contacted in the event of any emergency, and other such information should be accurate and current at all times.

#### **K. Employee Reference Checks**

All third party reference checks or other inquiries (whether written or verbal) regarding current or former Willmar Electric Service employees must be referred to the Human Resources Officer or his/her designee. All other employees are prohibited from giving out any employee-related reference or employment confirmation information about other employees to any third party. Generally, the only reference information that will be provided by Willmar Electric Service is the employee's dates of employment, pay history, and job description and duties.

## **L. Employee Parking and Site Access**

Employees should only park in areas designated for employees' use at Willmar Electric Service's locations and work sites. No employee is permitted to park in an area that would hinder access to any Company, customer, vendor, or business partner facility, or to a project or work site. Willmar Electric Service recommends that employees lock their cars and avoid leaving valuables where they may be seen, since Willmar Electric Service cannot be responsible for loss, damage, or theft of personal property or vehicles.

All employees shall enter and leave the office or a project or work site through designated entrances. Employees may not remain in or return to production or work areas once they have completed their work without prior notice to the Company. Former employees are not permitted on Company premises, except with prior notice to the Company and by appointment.

## **M. Company Vehicles**

It is the policy of the Company that no Company vehicle will be used for personal business and no personal vehicle for Company business, except when prior approval is given by the employee's supervisor and, in the case of personal vehicles, the owner. In addition, employees may not transport non-employee passengers, pets, or personal cargo in Company vehicles.

If a Company vehicle breaks down, do not leave it abandoned on a highway or street. It is the employee's responsibility to secure it and have it towed to a safe place.

Employees must check Company vehicles and equipment before use for fluid levels and leaks, tire and belt condition, and other potential safety or maintenance items. Turn in any expense receipts for service for reimbursement.

Drivers of motor vehicles must observe all speed limits and traffic safety rules. While driving, employees must always have in their possession their current valid driver's license with proper endorsements. For insurance reasons, employees who have received a DWI, DUI, unsafe driving and/or moving violation, whether on or off-duty, must immediately inform the Company of such violations and will be prohibited from operating Company owned or leased vehicles, or personal vehicles used for Company business, unless authorized by the Safety Director. Employees receiving parking violations in Company vehicles, or personal vehicles used for Company business, must also immediately inform the Company. Any violation will be paid by the driver of the vehicle, unless management determines that it was not the fault of the driver.

**IN CASE OF AN ACCIDENT:** In general, employees must give the other driver or law enforcement authority their name, their driver's license number, and insurance information. Call a police agency immediately if required. The driver of the Company vehicle or personal vehicles used for Company business must report the other driver's information at the earliest possible time to the Company office. The information the driver should obtain from the other driver includes:

- Name of the other driver;
- Driver's license number of the other driver;
- The license plate number of the other vehicle; and
- The other driver's insurance company and policy number.

If a police report is made, obtain the police report or case number and notify the Company office of this information also.

When asked a specific factual question by the other driver or police, the employee should give a specific factual answer, if known, but should not speculate or volunteer information other than that contained in the list above, especially about who or what is responsible or at fault for the accident. The Company driver and passengers should be courteous, but should not make any statement regarding the cause of the accident, or anyone's culpability or fault. If an employee receives a ticket for causing the accident, he/she should accept it politely, but should not pay any fines and/or sign any waiver of contest of the violation. Employees must remember that a ticket is not a final determination of fault for the accident. Fault will be determined at a later time.

**N. Company Equipment and Tools**

Care must be taken in the operation of all Company equipment and employees must adhere strictly to all applicable equipment design limits. If employees are unfamiliar with operation of any type of equipment, they are required to ask their supervisor for assistance. All Company equipment shall be used only for Company authorized purposes, as approved by the Project Leader. Repair or replacement costs for damaged or abused equipment will be assessed against the individual causing the damage. All purchases or rentals of Company equipment must be approved by management. All employees are required to purchase and maintain the tools and equipment listed in the Willmar Electric Service Tool List (attached at the end of this Employee Handbook) at their own expense, as a condition of employment with the Company.

**O. Policy on Use of Wireless Communication Device While Driving**

Any employee operating a wireless communication device including, but not limited to a cell phone, while driving a Company vehicle or a personal vehicle for Company business must use a legal hands-free technology while doing so. Employees charged with traffic violations or civil liability involving the use of a wireless communication device will be solely responsible for any penalty or liability that results from such actions.

**P. Business Gifts**

Occasionally, it may be appropriate to express appreciation to customers by means of a token gift. Examples of token gifts are tickets to athletic or entertainment events, gift packages or beverages, or other items with cash value under Twenty-Five Dollars (\$25.00). However, the Company does not make a practice of giving gifts to customers and discourages officers and employees from regularly accepting gifts from individuals or firms who do business with us. Regular gifting and gifting of higher value may suggest bribery rather than appreciation and could reflect badly on the image of the Company as well as the individual involved. Willmar Electric Service prefers that employees dine with their customer or attend an event with them (this not only shows appreciation but builds lasting relationships). Discretion is the key word. Employees must avoid any situation which could be interpreted as seeking or receiving undue influence or bribery.

**Q. Testing/Examinations/Background Checks**

1. Medical Examinations

Medical examinations may be required for personnel after a conditional offer and prior to an unconditional offer of employment, for determination of fitness to return to work, for assessment of accommodations, for confirmation of reasons for absence or leave, and in other appropriate

circumstances. Preemployment examinations will only be conducted after the Company has extended a conditional offer of employment to the applicant. Employment, return to work, and new job assignments are conditional on receipt of a satisfactory doctor's report when an examination is required, even if the employee has provisionally begun work prior to receipt of all such information. Any such procedures will be designed and administered in conformance with applicable law, and at Employer expense when the law so provides.

## 2. Skills Assessments/Testing

If Willmar Electric Service determines that assessments, examinations, or testing procedures may contribute positively to the determination of an applicant's or employee's qualifications, or for evaluation of eligibility for return to work, promotion, or transfer to new positions, employees or applicants for employment will be asked to agree to submit to such assessments, examinations, or testing procedures. Any such procedures will be designed and administered in conformance with applicable law, and at Employer expense when the law so provides.

## 3. Background Checks

As part of its hiring process, and for investigative purposes for current employees, Willmar Electric Service may request information regarding an applicant's or employee's criminal background, and as part of that process, may conduct background checks on applicants or employees. Willmar Electric Service will only inquire into or require disclosure of any such applicant criminal history information after the applicant has been selected for an interview, or if there is no interview, before a conditional offer of employment is made to the applicant. In its review of an applicant's or employee's criminal history, Willmar Electric Service will consider the nature and timing of the criminal history in relationship to the job sought by the applicant or held or sought by the employee.

## **R. Confidentiality**

The nature of Willmar Electric Service's business is highly competitive. Confidential, trade secret, or proprietary information ("Confidential Information") includes but is not limited to discussions, documents, notes, memoranda, and data (including but not limited to: audio and video tapes and electronic or computer data stored on hard drives, flash drives, disks, or otherwise) regarding proposals, estimates, pricing, bidding, marketing, customers, prospective customers and projects, Company services or products, research, development, protected health information, personnel (other than the employee's own information) and financial information, which employees prepare, compile, have access to, obtain in any manner, or receive at any time during the course of their employment, which is not available to persons or firms outside Willmar Electric Service.

Employees shall not access, misappropriate, use, disseminate, post, or disclose Confidential Information to any third party, except as required for performance of the employee's official duties in the course of employment, without the prior written authorization of a Company officer, except as provided in the final paragraph of this Section.

When employment with Willmar Electric Service ends, employees must return all Confidential Information and all other Company property, documents, materials, tools, or equipment issued by the Company during employment, including all copies and information storage versions, except for employees' own copy of this Handbook (subject to the nondisclosure restriction in the prior paragraph and the exception noted in the final paragraph of this Section). Employees' obligation to maintain the confidentiality of such information, and not to misappropriate, disclose,

use, remove, or retain it, continues, both during and after employment with Willmar Electric Service, without time limitation, and such actions or violations may result in possible civil and/or criminal prosecution, as well as discipline, except as provided in the following paragraph.

Nothing in this Section, or elsewhere in this Handbook, is intended to discourage an employee from discussing his/her own terms and conditions of employment, or the terms and conditions of other employees who freely share such information with other employees, or with third parties who are not competitors of Employer, or from engaging in concerted activity with such employees or third parties.

#### **S. Visitors**

All visitors are required to report in at the Company office or temporary or work site office prior to entering. This control is necessary to prevent unauthorized strangers from entering the office or a project or work site, for safety, productivity, loss prevention and insurance liability reasons, and to facilitate escorts for and meetings with authorized visitors.

#### **T. Smoking Policy**

Smoking is only allowed where expressly permitted. Employees should follow customers' and vendors' policies and project and work site regulations on smoking. Failure to comply with applicable smoking policies may result in disciplinary action.

For purposes of this policy, smoking includes lighting, smoking or carrying a lighted cigarette, cigar or pipe, and the use of any electronic smoking device. This list is illustrative only and not exhaustive.

#### **U. Travel and Reimbursable Expenses**

All employees are required, as a condition of continuing employment, to travel in connection with employment or in order to have sufficient work, in the Company's judgment, to maintain their employment. Employees will be reimbursed for reasonable expenses incurred while on preapproved business travel for Willmar Electric Service, except where normal living expenses arise in connection with a long term work opportunity for the employee, distinct from the employee's former work location. All reimbursable expenses, in excess of Ten Dollars (\$10.00), must be supported by receipts. Employees who are required to use their personal vehicles for work will be reimbursed by the Company in accordance with then-applicable IRS regulations.

#### **V. Employment of Relatives**

Employment of relatives by an organization may cause serious conflicts and problems with favoritism and employee morale, and can also result in personal conflicts from outside the work environment being carried into day-to-day working relationships. For the purposes of this policy, a relative is defined to include parents, grandparents, children, brothers, sisters, brothers- and sisters-in-law, fathers- and mothers-in-law, stepparents, stepsiblings, stepchildren, and spouses.

It is the Company's policy that relatives, or those dating or involved in a close personal relationship with persons currently employed by the organization, may be hired only if these persons will not be in a reporting relationship with each other, and will not have the ability to affect the other's terms and conditions of employment. Once employed, affected employees will not be transferred



or promoted into such a reporting chain relationship. If employees become relatives, spouses, or develop a dating or other close personal relationship after employment, the Company will implement any appropriate transfer or separation decision which may be necessary after consulting with the affected employees. In cases where a conflict or the potential for conflict arises, one or both of the parties may be separated by reassignment or terminated from employment if appropriate reassignments are unavailable or declined.

#### **W. Light/Restricted Duty Policy**

The Company will offer light/restricted duty positions, to the extent available, only to current regular employees of the Company who have been injured in the course of employment and are entitled to benefits under the workers' compensation statute. Non-employee applicants for employment and employees injured away from work are not eligible for light/restricted duty positions.

Employees injured in the course of employment who have been certified for return to work must provide a satisfactory response from their physician to the Company's requests for information so that appropriate placement to a light/restricted duty position may be made, to the extent positions are available. Some restrictions may prevent any placement in a light/restricted duty position at the Company, even though those restrictions may permit employment with another employer.

Light/restricted duty positions will be limited in number, and the Company will not create additional positions when such positions are unwarranted or uneconomic. In all cases, the essential duties of a position must be performed by the employee or the light/restricted duty position will be denied.

Employees may not work in these positions beyond a period of twelve (12) weeks, subject to availability of positions and in accordance with state and federal law. If an employee who is subject to medical restrictions is able to perform all the essential duties of a regular full-time position within those restrictions, that individual's employment status is "regular" and not that of a light/restricted duty position employee.

#### **X. Protected Health Information**

The Company is committed to complying with the requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and the statutory amendments made to HIPAA under the Health Information Technology for Economic and Clinical Health Act (HITECH) enacted as part of the American Recovery and Reinvestment Act of 2009 (ARRA). The Company's EEO Officer is designated as Willmar Electric Service's Medical Information Officer. In this capacity, the Medical Information Officer is responsible to ensure that the Company maintains safeguards against the improper disclosures of an employee's medical information. For all nonroutine disclosures of an individual employee's medical information, Willmar Electric Service will provide notice to the affected employee and obtain his/her consent before disclosure is made. The Company will document all disclosures of an employee's medical information. Employees are instructed to direct any questions or complaints regarding medical information or Willmar Electric Service's policies or procedures concerning medical information to the Medical Information Officer. Further, any employee may bring a complaint, ask a question or raise a concern regarding medical information without concern over adverse employment action.

## Y. **Community Services**

Willmar Electric Service encourages and supports after-hours participation in community service activities that contribute to and foster future growth and development of the community and promote the Company. Employees interested in volunteering options should contact Willmar Electric Service's Human Resources Department for possible Company-related opportunities. Depending on circumstances, employees' direct expenses due to such activities may be reimbursed by Willmar Electric Service.

## EMPLOYEE BENEFITS ADDENDUM

### EMPLOYEE BENEFITS ADDENDUM (ALSO SEE THE BENEFITS SCHEDULE ON PAGE 47 FOR A SUMMARY OF BENEFITS)

#### I. TIME-OFF BENEFITS

##### A. Paid Time Off (PTO)

##### 1. Full-Time Employees

Willmar Electric Service grants a benefit of time off with pay to qualifying employees. This benefit is designed to be for periods of rest and recreation. Full-time salaried and full-time hourly employees, in good standing with the Employer are eligible for PTO benefits under this policy.

PTO time is accrued incrementally based on years of service and an employee's first day of employment in accordance with the following schedule:

| <b>Years of Service</b>      | <b>Accrual of PTO (based on 40 hour work week)</b> | <b>Maximum Accrual</b> |
|------------------------------|--|------------------------|
| Start Date                   | 0.77 hours per week                                | 40 hours               |
| 1 <sup>st</sup> Anniversary  | 1.54 hours per week                                | 80 hours               |
| 5 <sup>th</sup> Anniversary  | 2.32 hours per week                                | 120 hours              |
| 20 <sup>th</sup> Anniversary | 3.08 hours per week                                | 160 hours              |

State licensed journeymen will begin accruing PTO at the 1<sup>st</sup> Anniversary year accrual (80 hours for the year).

Apprentices will accrue PTO based on years of service. An apprentice PTO accrual will be capped at 80 hours. Upon receiving his/her journeyman's license, the accrual will continue based on the years of service.

PTO will begin accruing upon the first day of work and will be available for use immediately. PTO will accrue until an employee reaches his/her maximum accrual of hours. Once an employee has maximized his/her maximum PTO accrual, no more PTO will accrue until PTO time is used. An employee will not receive retroactive credit for PTO while he or she was at or over his maximum accrual.

PTO scheduling request must be approved by the employee's supervisor prior to the PTO. PTO shall generally be approved on a first-come, first-approved basis.

Employees must schedule PTO of three or more days in duration with his/her supervisor at least three weeks in advance of the starting date of the PTO, except in emergency situations. Willmar Electric Service retains the right to approve or deny any PTO based on the facts and circumstances of the request, in accordance with applicable law. PTO pay can be taken in one (1) hour increments up to eight (8) hours at the base pay rate per day (or, if an employee is scheduled for ten (10) hour days, they can take PTO for a ten (10) hour work day). A minimum of one hour must be taken for paid time off.

Employee must refrain from employment or seeking employment during PTO to be eligible for PTO.

PTO is a time off benefit and employees are not entitled to cash payment of PTO unless required by state law. However, terminating employees in good standing with the Company who refrain from any misconduct or poor performance, will be entitled to a discretionary cash payment for a portion of any unused prorated PTO upon the return of any Company property and documents and settlement of any debts due to the employer at termination. No other employees are eligible for cash payment of PTO time under any circumstances. Any cash payments of PTO time do not change the employee's effective date of termination.

## 2. Employees Working on Davis Bacon Projects

Employees working on Davis Bacon Projects are eligible for PTO benefits in compliance with federal laws.

PTO time is accrued incrementally based on years of service and employee's first day of employment in accordance with the following schedule:

| <b>Years of Service</b>      | <b>Accrual of PTO (based on 40 hour work week)</b> | <b>Maximum Accrual</b> |
|------------------------------|--|------------------------|
| Start Date                   | 1.33 hours per week                                | 56 hours               |
| 1 <sup>st</sup> Anniversary  | 1.54 hours per week                                | 80 hours               |
| 5 <sup>th</sup> Anniversary  | 2.32 hours per week                                | 120 hours              |
| 20 <sup>th</sup> Anniversary | 3.08 hours per week                                | 160 hours              |

PTO will begin accruing upon the first day of work on a Davis Bacon Project and will be available for use immediately. PTO will accrue until employees reach his/her maximum accrual of hours. Once an employee has maximized his/her maximum PTO accrual, no more PTO will accrue until PTO time is used. Accrued PTO will be carried over from year to year. An employee will not receive retroactive credit for PTO while he or she was at or over his maximum accrual.

All other requirements are the same as outlined in the Full-time Employees section above.

### **B. Holidays**

Willmar Electric Service will be closed to regular business on all Company observed holidays.

Holiday pay will be paid, based on base pay for an eight (8) hour day, to all regular full time employees, according to their length of service with the Company, except:

- a) commissioned personnel;
- b) independent contractors; and
- c) seasonal, temporary and introductory employees.

To receive holiday pay, an employee must work the scheduled day before and after the holiday(s), except for pre-approved absences. Employees with pre-approved PTO absences must work scheduled day before and after scheduled time off and holiday to receive holiday pay. An employee who is absent due to illness, jury service, FMLA leave on the day before or after a holiday, but who is otherwise actively working, must present proof of that illness, jury service or other excuse to be eligible for holiday pay. An employee who is not actively working for any reason (such as unpaid leave, short-term disability, long-term disability, FMLA or any other leave recognized under federal, state or local law) when a holiday occurs and who is not in pay status, shall not be entitled to holiday pay. However, an FMLA-related absence, such as intermittent leave, on the day before or after a holiday shall not make an employee ineligible for holiday pay.

The Company observes the following designated holidays:

- New Year's Day,
- Memorial Day,
- Independence Day,
- Labor Day,
- Thanksgiving Day, and
- Christmas Day.

Regular, full-time employees will begin receiving Holiday pay after 90 days of employment. Other holidays may be announced at Willmar Electric Service's sole discretion. A designated holiday falling on a Saturday will generally be observed on the preceding Friday, and a designated holiday falling on a Sunday will generally be observed on the following Monday.

Holiday pay will not be paid in addition to PTO pay or any other authorized leave of absence pay for the same day. However, if a holiday should fall within an approved PTO week, the employee will be recorded as having used 32 hours of PTO time, instead of 40 hours.

If an employee desires time off to observe a holiday not listed above, such time off may be granted without pay or as a PTO day, subject to business requirements. Employees should submit such requests to their supervisor at least one month in advance of the requested day off. Willmar Electric Service retains the right to grant or deny such requests at its sole and absolute discretion, although the Company will attempt to accommodate the employee.

### **C. Leaves of Absence**

Leaves of absence will only be granted with prior approval to eligible full-time employees. Except where required by law, seasonal, temporary, part-time, and introductory workers are not eligible for leaves of absence. The Company reserves the right to require satisfactory documentation or substantiation of reasons for employee leaves of absence. Leaves are unpaid in all cases and subject to prior approval and to restrictions.

When the need for the leave is foreseeable, the employee must submit his/her request with reasonable prior notice to the Company and, where possible, make a reasonable effort to schedule the leave so as not to unduly disrupt the Company's operations. Employees must use available PTO time for any leave under the Company's policies, including leave for work-related injuries or conditions, but such use does not increase the maximum amount of leave available under the policy. Employees may not consecutively "stack" separate types of leave. Time spent on a leave of absence over 30 days, except legally mandated leave time, will not be counted as

time employed in determining an employee's length of employment, nor will benefits be granted, paid or be available during such time except where required by law.

Employees who remain away from work beyond the return date of an approved leave will be treated as having resigned or abandoned their employment and such separation will be automatically recorded as of that date, without right of reemployment, recall or reinstatement.

Time spent on a leave of absence of over 30 days, except legally mandated leave time, will not be counted as time employed in determining an employee's length of employment, nor will benefits be granted, paid or be available during such time except where required by law. Where possible and in compliance with all state and federal laws, upon returning from leave, the employee shall be restored to the same position held prior to the leave, or to a position with comparable duties and hours at the same rate of pay the employee had been receiving when the leave commenced, together with any automatic adjustments in that pay rate occurring during the leave.

The Company will deduct from employee wages, or otherwise seek reimbursement for, any PTO, disability, workers' compensation or other leave-of-absence-related benefits paid to the employee during any period of leave of absence if: 1) the employee made or provided false or inaccurate statements or representations in connection with requesting or taking the leave of absence; or 2) if the employee remains away from work beyond the return date of an approved leave.

#### **D. Personal Leave**

A supervisor may approve a personal unpaid leave of absence of up to seven (7) calendar days. Leaves of absence for personal reasons of over seven (7) calendar days must be approved by a Company officer. The supervisor shall review and act upon a request for leave of absence for personal reasons in consideration of a variety of factors, including:

- a. The purpose for which the leave is requested.
- b. The length of time the employee will be away.
- c. The effect the leave will have on the ability of the department to carry out its responsibilities.
- d. The employee's position, disciplinary, good standing, performance and absence record, and length of service.
- e. Whether or not the employee is eligible for or has requested or utilized other leave in connection with absences.

Willmar Electric Service retains the right to grant or deny requests for personal unpaid leaves of absence at its sole and absolute discretion. Any employee who is absent without complying with this policy or another leave policy in this Section will be treated as having resigned after three (3) days of absence irrespective of whether or not the employee communicates with the Company about the absence.

## **E. Family and Medical Leave of Absence**

### **a. Eligibility**

Employees are eligible for FMLA leave in the amounts described below if they have worked for Willmar Electric Service at least twelve (12) months prior to the commencement of the leave and have worked at least one thousand two hundred fifty (1,250) hours during the twelve (12) month period prior to the leave.<sup>1</sup>

### **b. Twelve (12) Week FMLA Availability**

Willmar Electric Service offers unpaid Family and Medical Leave of Absence (FMLA) leave to eligible employees for the following reasons:

- (i) for the birth, adoption, or foster care placement of a child;
- (ii) for the employee's own "serious health condition" or the "serious health condition" of the employee's spouse, child, or parent; and
- (iii) For "exigency" situations involving an employee, or the employee's spouse, child, or parent, called to duty as part of the Armed Forces (including National Guard or a branch of the Reserves). Exigencies include various events (i.e. military events, counseling sessions) and arrangements (i.e. alternative child care, financial/legal arrangements) associated with deployment. Human Resources can provide more details on what qualifies for this type of leave.

A "serious health condition" is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities. Continuing treatment may be met by: (1) a period of incapacity of more than three (3) consecutive calendar days combined with at least two (2) visits to a health care provider; or (2) one (1) visit to a health care provider and a regimen of continuing treatment; or (3) other equivalent conditions.

### **c. Twenty-Six (26) Week FMLA Availability**

An eligible employee is entitled to twenty-six (26) weeks of leave to care for a covered member of the Armed Services ("Servicemember") undergoing medical treatment or therapy for, or for recuperation from, a serious illness or injury incurred in the line of duty. A covered Servicemember is: (1) a current member of the Armed Forces (including National Guard or Reserves); or (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five year period prior to the first date the eligible employee

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<sup>1</sup> Employees who do not meet the eligibility requirements under the FMLA may still be eligible for twelve (12) weeks of unpaid leave for the birth or adoption of a child under the Minnesota Parenting Leave law, if they have worked for the Employer for at least twelve (12) consecutive months for an average of twenty (20) hours per week. FMLA and Minnesota Parenting Leave Act leaves run concurrently (at the same time). Therefore, if any employee's leave qualifies as both FMLA and MPLA, the leave will be credited against both leave entitlements simultaneously.

takes FMLA leave to care for the veteran. If an employee takes leave to care for a covered Servicemember, he or she is entitled to twenty-six (26) weeks of FMLA leave during one (1) twelve (12) month period, rather than the twelve (12) weeks described above. The twenty-six (26) weeks will be measured forward from the date an employee's first FMLA leave to care for the covered servicemember begins. However, the employee will only be entitled to a total of twenty-six (26) weeks for *all* leave taken during that twelve (12) month period (including FMLA leave taken for other reasons).

d. Intermittent Leave

In all of the above cases, except birth, adoption, or foster placement of a child, the leave may be taken "intermittently" or on a reduced leave schedule, but only when medically necessary. The employee must provide medical certification in support of a leave due to serious illness, or for "caregiver leave" for the ill or injured Servicemember. The Company reserves the right to require a medical certification, recertification, or confirmation thereof from a health care provider of Willmar Electric Service's choice and at its expense.

e. Procedure

If the FMLA leave is foreseeable, the employee must notify Willmar Electric Service at least thirty days prior to the first day of the FMLA leave. If the FMLA leave is not foreseeable, the employee must comply with Willmar Electric Service's normal policies for notifying the company of an absence (See Benefit Section). Employees must provide sufficient information for Willmar Electric Service to determine if the leave may qualify for FMLA protection and the anticipated start date and return date of the leave. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt Willmar Electric Service's operations. Willmar Electric Service will notify the employee within five (5) business days of a request as to whether the employee is eligible for FMLA and whether the leave will be covered by the FMLA, provided that, in cases where five (5) days' notification is not possible, Willmar Electric Service will attempt to designate the leave as FMLA-qualified as soon as reasonably possible under the circumstances and may so designate leave, before or after commencement, even when not requested by the employee when eligibility is not contested.

If the leave is for a "serious health condition" of the employee or one of the employee's qualifying relatives, Willmar Electric Service requires a medical certification from a treating doctor indicating that the condition qualifies. These forms are available from Human Resources.

f. Pay and Benefits

FMLA leave is not paid leave by Willmar Electric Service.. If the employee has PTO time available, the employee must use the PTO time for the FMLA leave and such time will count both as FMLA leave and as PTO. Certain employees may be eligible for short-term disability pay in the event of a serious illness of the employee, but the receipt of short-term disability or workers' compensation benefits during FMLA leave shall not extend the FMLA leave beyond the applicable twelve (12) or twenty-six (26) week limits.

Employees do not accrue PTO, or other leave grants during the FMLA leave, nor will the employee receive holiday pay for any holidays which occur during the FMLA leave. Employee use of FMLA leave will not result in the loss of any employment benefit that was available prior to the start of an employee's leave.



Willmar Electric Service will continue to provide group health insurance benefits to employees on FMLA leave, provided they were eligible for such benefits prior to the leave, so long as the employee continues to pay his/her portion of the premium, which may also be deducted from any pay received by the employee during the FMLA leave. If the employee does not receive compensation from Willmar Electric Service during the FMLA leave, the employee must pay the premium to Willmar Electric Service on or before the time it would otherwise be made if by payroll deduction. If the employee does not return to work by the required FMLA return date, the employee will not be eligible for reemployment and will be required to reimburse Willmar Electric Service for premium payments made during the FMLA leave. The employee may, however, be eligible for COBRA insurance continuation at his or her own cost in that case if back payments are promptly made for any outstanding premiums due for the period of the FMLA leave.

g. Return to Work

Employees returning to work from FMLA leave will normally be restored to the same position held prior to the leave, or to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment. Returning employees retain eligibility for any group benefits for which they were eligible prior to the leave, including group health insurance, even if the employee did not pay the employee's portion during the FMLA leave, but Willmar Electric Service retains the right to recover any unpaid employee portion of group health insurance for the period of the FMLA leave, upon the employee's return to work, by payroll deductions or otherwise.

If the FMLA leave was for the employee's own serious illness, the employee must submit a medical certification to Willmar Electric Service which states that the employee is able to resume work, and perform all the essential duties of his or her position before the employee may be restored to his/her same position. Willmar Electric Service will provide a list of essential job functions to the employee's physician at the time the leave is designated, so that the treating physician will be able to give an informed opinion about the employee's return to work and any restrictions.

The legal requirements concerning medical and other leaves are complicated. Employees' rights to FMLA leave are legally defined and Willmar Electric Service will respect them. Employees who have any questions or concerns about FMLA leave rights or rights under state or federal leave law should raise them with the Human Resources Representative. Employees may also bring them to the U.S. Department of Labor or to a private attorney. Employees who have any questions about their entitlement to leave should contact Human Resources Representative for more information.

**F. Infectious Illnesses**

Employees must refrain from reporting to work when they suffer from symptoms of an infectious illness. Infectious illness refers to all types of illnesses or communicable diseases that are contagious and may be contracted by others through routine daily interactions, but does not apply to non-contagious illnesses.

Employees exhibiting symptoms of a contagious illness may be sent home from work and may be required to obtain medical attention to diagnose any such illness. Short-term absences associated with this policy will be excused provided the employee provides the Company with a note from a qualified medical provider confirming illness and/or treatment.

As with any illness, employees may be required to provide a return to duty fitness exam before returning to work after: (a) being diagnosed with an infectious illness, or (b) being quarantined in connection with any such illness. Employees who are permitted to return from work, but who may still be contagious under CDC guidelines, may be asked to observe precautions such as wearing a mask, gloves, or other protective gear. The Company will limit all information on an employee's infectious illness to those with a need to know such information on the employee's or Employer's behalf.

**G. School Conference/Activity Leave of Absence (Minnesota Employees Only)**

Eligible employees may take unpaid leave up to a total of sixteen (16) hours during any twelve (12) month period to attend pre-school or school conferences, observations or activities related to the employee's child, if such conferences, observations or activities cannot be scheduled during non-work hours. Employees are eligible for such school conference activity leave if they have worked for Willmar Electric Service for an average of twenty (20) hours or more per week. Where possible School Conference/Activity Leave must be scheduled during non-work hours.

**H. Minnesota Parental Leave of Absence (Minnesota Employees Only)**

Willmar Electric Service offers unpaid Parental Leave of Absence (PLA) leave to eligible employees for the birth or adoption of a child or for prenatal care or incapacity due to pregnancy, childbirth or related health conditions for a female employee. Employees are eligible for up to twelve (12) weeks of PLA leave, if they have worked for Willmar Electric Service for at least twelve (12) months preceding the request for an average of twenty (20) hours per week. Any leave granted under this Parental Leave Policy will run concurrently with any similarly qualified leave under the FMLA.

PLA leave must begin within twelve (12) months of the birth or adoption, unless the child must remain in the hospital longer than the mother, in which case the leave must begin within 12 months after the child leaves the hospital.

Willmar Electric Service will continue to make group health insurance coverage available to the employee while on leave of absence, at the employee's cost. An employee returning from a PLA leave longer than one (1) month must notify his/her supervisor at least two (2) weeks prior to returning from leave to confirm the date of return. The employee returning from a leave is entitled to retain all accrued pre-leave benefits.

**I. Military Leave**

It is Willmar Electric Service's policy to grant a military leave of absence to eligible employees for training or service in the National Guard, Reserves, or any other of the United States Armed Services. Employees are required to notify their supervisor as soon as they are aware of the need for military leave, including a copy of the orders directing the military duty, unless the employee is prevented from doing so by military necessity.

Subject to the terms, conditions, and limitations of the applicable plans for which the employee is otherwise eligible, health insurance benefits will be made available by Willmar Electric Service for up to twenty-four (24) months of the military leave of absence. The employee will be responsible for the entire premium payment if he/she performs military service for thirty-

one (31) or more days. Military leave is unpaid, but employees may elect to use any available paid PTO leave for the military leave of absence.

Employees on military leave must timely apply for and report back to work and provide proper documentation in accordance with all applicable state and federal laws in order to be eligible for reemployment. Employees will not be reemployed with Willmar Electric Service in cases where circumstances make it impossible to do so, or create an undue hardship for the Company. Temporary employees who have no reasonable expectation that their job would be available after a period of military service will not be eligible for reinstatement. Employees who receive a dishonorable discharge are not eligible for military leave and will not be rehired by Willmar Electric Service. Employees who are on a leave of more than five (5) years may not be eligible for reemployment with Willmar Electric Service. Employees who qualify for reemployment with Willmar Electric Service will be treated as though they were continuously employed for the purpose of determining seniority for employment and benefit accrual status where determined by seniority. Employees do not accrue actual PTO, sick leave, or other benefits while on a military leave of absence.

**J. Minnesota Leave for Families of Mobilized Military Members (Minnesota Employees Only)**

1. Family member injured or killed while on active duty

Willmar Electric Service offers unpaid leave of up to ten days to employees who have an immediate family member in the military who has been injured or killed in active service. Immediate family members for these purposes include the employee's spouse, children, mother, father, brothers, sisters, or grandparents.

2. Family member on (or called to) active duty

Willmar Electric Service offers up to one (1) day per calendar year of unpaid leave to attend a send-off or homecoming military ceremony for an immediate family member, unless the leave would unduly disrupt the Company's operations. Immediate family members for these purposes include the employee's spouse, fiancé, fiancée, and children, mother, father, brother, sister, grandchild, grandparent, or legal guardian.

**K. Family Military Leave (Nebraska Employees Only)**

Willmar Electric Service offers up to 30 days of unpaid leave for eligible spouses and parents of persons who are under government deployment orders for military service for a period of 179 days or more. Such employees are eligible if they have been employed by Willmar Electric Service for at least 12 months and have worked at least 1, 250 hours during the 12 month period immediately preceding the leave. Employees taking leave of 5 or more consecutive days must provide Willmar Electric Service with 14 days notice of the intended leave. Employees taking less than 5 days of leave must notify the Company as soon as possible. All employees who intend to take Family Military Leave must, when possible, consult with Willmar Electric Service regarding the timing of the leave to avoid undue disruption of the Company's operations.

**L. Funeral Leave**

Employees will be allowed one (1) day of leave with pay, with up to two (2) additional days of unpaid leave granted in cases in which out-of-state travel is required, in the case of death of an

immediate family member. Employees should notify their supervisor immediately in the event of such an occurrence.

Willmar Electric Service defines "immediate family" for these purposes to mean the employee's spouse, children, mother, father, brothers, sisters, father-in-law, and mother-in-law. For absences to attend the funeral of a relative other than a member of the immediate family, a supervisor's approval will be required and any leave granted will be unpaid.

Willmar Electric Service calculates an employee's pay during the period of a funeral leave based on the employee's base pay rate for eight (8) hours' work at the time of the absence.

Willmar Electric Service will generally approve employee requests for funeral leave, in the absence of unusual operating requirements. Willmar Electric Service reserves the right, however, to refuse to grant such leave at its sole and absolute discretion. An employee who is granted funeral leave may, with his or her supervisor's approval, also use any available paid leave for additional time off as necessary.

#### **M. Jury Duty Leave**

Willmar Electric Service encourages its employees to fulfill their civic responsibilities by serving jury duty when required. Regular full time employees may request paid jury duty leave. Willmar Electric Service makes up the difference between the juror reimbursement and the employee's wages for this period based on an eight (8) hour day to help alleviate any hardship upon its juror employees. Willmar Electric Service reserves the right to limit the time period of such reimbursement in cases in which trials exceed four (4) weeks in duration.

An employee requesting jury leave (paid or unpaid) must show the jury duty summons to his or her supervisor as soon as possible after he or she receives it, so that the supervisor may make arrangements to accommodate the employee's absence. Of course, the employee is expected to report for work whenever his or her court schedule permits.

Either Willmar Electric Service or the employee may request an excuse from jury duty if the employee's absence would create serious operational difficulties for Willmar Electric Service.

#### **N. Additional Medical Leave (for Employees Not Covered by the FMLA)**

Leaves of absence may be granted to employees if they are unable to work for medical reasons certified by a physician and are not eligible for a Family and Medical Leave. The physician's statement should indicate a diagnosis, current treatment, prognosis, and expected length of time for the requested leave. Further documentation may be required by Willmar Electric Service or its insurer and further eligibility conditions may apply.

Employees must notify the Company as soon as they are authorized by their doctor to return to work, and they will be expected to report to work immediately if an opening exists. Every effort will be made to provide the same job, or an equivalent job upon expiration of the leave. Failure to return to work at the expiration of a leave, or upon notification that a position is available, will result in automatic termination of employment (unless additional leave is required by state or federal law). Upon their return to work, employees must present to the Company their doctor's written release to work.

## **II. OTHER BENEFITS**

### **A. Health Insurance and Voluntary Insurance Benefits**

Willmar Electric Service is pleased to offer group insurance to eligible employees. Details regarding these programs, including benefits and eligibility requirements, are available from the office. Employees generally are eligible to enroll in the health insurance program after three months of employment, or as soon as required under federal or state law, and are required to contribute a portion of the premium for such coverage.

### **B. Profit Sharing-401(k) Plan**

Willmar Electric Service provides an opportunity for eligible employees to save for retirement, through its 401 (k) Plan. Employees who are over 18 years of age generally are eligible to participate in the Plan beginning on the first of the month after completing three (3) months of continuous employment (full-time or part-time) with the Company. In addition, Willmar Electric Service will make matching contributions equal to 40% of an employee's pre-tax contributions, up to 10% of compensation. The Company may also, in its discretion, make additional contributions to employee accounts at the end of the fiscal year. Please contact the office for specific details about Plan benefits and eligibility requirements.

### **C. 125 Flex Plan/Health Savings Account**

The Company offers a flexible spending plan to eligible employees which allows for payments to be made on a pre-tax basis for group insurance premiums, various dental and medical expenses and dependent care expenses by the employees and/or Willmar Electric Service. Details about this plan are available from the Human Resources Department.

### **D. Adoption Benefits**

The Company offers eligible employees assistance in defraying expenses incurred in adopting minor children. A \$1,000.00 deductible and a 45% employee co-payment apply, and the Company will not cover any cost in excess of \$10,000.00. To obtain details regarding this benefit, please contact the Human Resources Department.

### **E. Employee Assistance Program**

The Company recognizes that chemical dependency and other medical/behavioral conditions can affect employee performance. The Company also recognizes that while such conditions are often complex, they often can be successfully treated. The Company, therefore, will provide information (confidentially) to employees about appropriate treatment programs near their work site or residence. Details about this program can be obtained from a supervisor or from the Human Resources Department.

### **F. Scholarship Program**

Willmar Electric Service offers a scholarship program for the children of employees who have worked for the Company for more than five years. Amounts of scholarships vary, depending on the number of applications received in a given year. Other education scholarships may also be approved, in the Company's discretion, upon written request. To receive an application for a scholarship, contact the Human Resources Office.

## **G. Continuing Education and Training**

Training has become extremely important in our industry for many reasons. In order for our Company to work safely, remain competitive, and produce a high quality product, we must have a very well trained workforce. As a result, the Company has developed a continuing education and training policy. Some of the training and courses offered by Willmar Electric Service are offered on a strictly voluntary basis as a benefit to the employee. Some of the training and courses offered by the Company are required by the state of Minnesota or other governmental body to maintain professional status or certification. The training offered by Willmar Electric Service could consist of continuing education, code refresher classes and formal training through NCCER'S CONTREN Series. In addition, as a benefit of employment, on-the-job training is part of the education process. Upon completion of training classes provided and taken on a voluntary basis, the employee should submit verification of completion of the course to the Human Resources Department for placement in his/her personnel file. Upon completion of required training classes, the employee must provide verification of completion to the Human Resources Department for placement in his/her personnel file.

Training and classes for Willmar Electric Service employees in the following positions are offered on a voluntary basis. The Company recommends that employees in these positions attend training or classes for the number of hours set forth below on a yearly basis:

| <u>JOB TITLE</u>            | <u>EDUCATION HOURS</u> |
|-----------------------------|------------------------|
| Apprentice Electrician      | 100                    |
| Clerical / Other            | 10                     |
| Engineering / Design        | 20                     |
| Estimating                  | 20                     |
| Foreman                     | 25                     |
| Human Resources / Safety    | 30                     |
| Journeyman                  | 20                     |
| Mechanical Technician       | 10                     |
| Project Leader / Dept. Head | 30                     |

The State of Minnesota requires that all Journeymen must complete sixteen (16) hours of continuing education every 2 years to retain their certification as Journeymen. Nebraska requires twelve (12) hours every 2 years; Oklahoma requires six (6) hours every 3 years. NOTE: it is the responsibility of each Journeyman to know, understand, and meet the requirements of each state where his/her personal Journeyman's license is held. Willmar Electric Service reserves the right to review and adjust wages if licensure is forfeited.

The Company will try to help employees reach their continuing education and training goals or requirements, but this responsibility ultimately rests with the employees. If a Willmar Electric Service employee wishes to attend a class, he/she must first complete and submit the Willmar Electric Service Continuing Education Class Registration Form and receive his/her supervisor's approval. Employees who do not attend or do not complete the entire class for which they have registered will be charged a repayment fee for costs incurred by Willmar Electric Service for that class, unless the employee's absence is excused by Willmar Electric Service. If employees have any questions regarding this policy, they should address them to their supervisor, who will then address the issue with the Human Resources Director.

All apprentice employees of Willmar Electric Service must provide documentation of verified apprentice training hours (from certified payroll records) from previous employers in order to have those hours credited toward the employee's apprenticeship status.

We are very excited about moving ahead with this comprehensive education policy because we know how having an educated workforce will make us stand out among the rest. We also know how important it is for our employees to remain educated in their ever-changing fields. Progress and participation in continuing education will be taken into account as a factor when compensation and promotion advancements are determined.

#### **H. Membership in Associated Builders and Contractors**

The Company maintains a membership to the Associated Builders and Contractors (ABC) which offers a wide variety of programs to all Company personnel throughout the year.

#### **I. Social Security, Unemployment Compensation, Workers Compensation Insurance, Etc.**

Willmar Electric Service covers the full cost of unemployment compensation insurance benefits and workers' compensation insurance benefits for employees and covers a portion of the cost of social security retirement and disability benefits.

Willmar Electric Service's unemployment compensation insurance benefits program provides benefits, after a waiting period, if you should be laid-off or terminated without fault on your part. These benefits replace a portion of your earnings up to a legal maximum for a certain period of time until you find new employment.

Social Security benefits, partly paid for by Willmar Electric Service and partly by the employee, are available, subject to eligibility conditions and limitations, for the employee's retirement and for disability resulting in inability to work.

Willmar Electric Service's workers' compensation insurance program covers injuries or illnesses sustained in the course of employment which require medical, surgical or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance under this program provides partial earnings replacement benefits after a short waiting period, or, if the employee is hospitalized, immediately.

Employees who sustain work-related injuries or illnesses must inform their supervisor as soon as possible. No matter how minor an on-the-job injury may appear, it is important that the injury be reported. This will enable an eligible employee to qualify for coverage as quickly as possible and is required for Willmar Electric Service's records and reporting requirements. Delay or failure to report an injury may jeopardize an employee's eligibility for workers' compensation benefits, and may result in disciplinary action including termination.

Neither Willmar Electric Service nor its insurance carrier will be liable for the payment of workers' compensation benefits for non-work related injuries or illnesses. Filing a claim for workers' compensation benefits for a non-occupational injury or illness or providing false information to Willmar Electric Service or other involved parties in connection with a workers' compensation, unemployment compensation, disability, or any other claim, will result in denial of benefits and civil and/or criminal prosecution, as well as discipline. Employees should not submit false, frivolous or non-meritorious claims, or provide false information, in these or any other areas. (See Section above.)

**J. Extension of Health and Dental Insurance Coverage (COBRA)**

Employees and their dependents covered under Willmar Electric Service's group insurance benefit plans may elect to continue their coverage upon certain "qualifying events," such as a reduction in hours resulting in ineligibility for benefits, termination of employment (except for serious misconduct) or dissolution of marriage. Employees who are covered under group insurance programs must notify the Human Resources Representative of changes in status which could result in a change in eligibility for benefits. The Human Resources Representative, after such notice, will provide information on the employee's or the dependent's right to continuation of coverage and the cost of such coverage. Eligible employees/dependents must apply and timely pay premiums to obtain and continue COBRA coverage. If you have any questions about continuation of coverage, please contact the Human Resources Representative.

**K. Benefits in General**

The Company may, on occasion, and at its sole discretion, add to, discontinue or modify any Company funded benefit program, as well as the relative Employer and employee allocation of the costs of such programs, and may provide modified benefits in connection with specific projects from time-to-time, without prior notice.



**WILLMAR ELECTRIC SERVICE BENEFIT SCHEDULE**

| <b>Benefit</b>  | <b>Eligibility Requirements</b>  | <b>Enrollment/Effective Date</b>   |
|---|--|--|
| <b>Health and Dental Insurance</b>  | Two months of continuous full-time employment  | First of the month following 2 months of employment  |
| <b>125 (Cafeteria) Plan</b><br><br>A plan that allows you to pay health insurance premiums with "pre-tax" dollars | Two months of continuous, full-time employment   | Enroll during health insurance enrollment  |
| <b>Health Savings Account</b><br><br>A medical savings account that is portable and tax-free                      | Two months of continuous, full-time employment   | Enroll during health insurance enrollment<br><br>Must be on WES health insurance to be eligible  |
| 401(k)/Profit Sharing Plan<br>WES matches 40% of the first 10% you contribute                                     | <b>401(k)</b><br>Three months of continuous, full-time or part-time employment<br><b>Profit sharing</b> – completed at least 1,000 hours of service during the plan year and be employed on the last day of the plan year. | <b>401(k)</b> First of the month following 3 months of employment<br><b>Profit sharing</b> – first of the month following 1 year of employment |
| <b>Holiday Pay</b><br>6 Holidays  | Full-time employment   | After 90 days of employment  |
| <b>PTO Pay</b><br>40 hours<br><br>80 hours<br><br>120 hours<br><br>160 hours                                      | Accrue first year of employment<br>Accrue at second year of employment<br>Accrue at ten years of employment<br>Accrue at twenty years of employment  | Accrual Process<br><br>Based on 40 hours of Regular Time/week  |
| <b>Continuing Education</b>   | All employees  | After 30 days of employment  |
| <b>YMCA/Health Club</b><br><br>WES contributes \$15/month toward an approved YMCA/health club membership          | All employees  | After 30 days of employment  |

The above information is general in nature and does not address all facts and/or circumstances that may affect your eligibility for specific benefits. If there is a conflict between the above information and the requirements/rules as set forth in the Plan documents or WES policy manual(s), the documents/manual overrule the above summary.

## WILLMAR ELECTRIC SERVICE TOOL LIST (ELECTRICAL)

### Items Required on the Job Site Provided by Company:

- Gloves
- Hard hat
- Non-prescription safety glasses with side shields

### Items Required on the Job Site Provided by Employee

| Item   |
|--|
| Tool box capable of securing required tools                                  |
| Tool pouch and belt (electricians only)                                      |
| Linesmen pliers  |
| 10" Crescent wrench  |
| Screwdriver set  |
| Hammer   |
| Flat and Rattail File  |
| Keyhole saw  |
| Wire crimpers  |
| Two pair 12" channel locks   |
| 25' Measuring tape   |
| 6" Diagonal pliers   |
| Knife  |
| 6"- 8" Wire Strippers  |
| Needle-nose pliers   |
| Allen wrench set (standard up to 1/2" & metric)                              |
| 3/8" Nut driver set  |
| 3/8" Socket set  |
| Tin Snips  |
| LED Flashlight   |
| 9" Torpedo level   |
| Standard volt meter – AC/DC & Continuity                                     |
| Tap set – 3/8" and down (broken taps will be replaced by Company)            |
| Code book  |
| Drill bit index – 3/8" and smaller (broken bits will be replaced by Company) |

### **Volt Pen Items to be Provided by Employee:**

- Commercial grade drill with battery pack
- Commercial grade Sawzall with battery pack
- Hard soled work shoes

“Commercial grade” means Bosch, DeWalt, Milwaukee, Mikita, Rigid, and Hilti brands.

**WILLMAR ELECTRIC SERVICE TOOL LIST (Mechanical/Maintenance Technician)**

**Items Required on the Job Site Provided by Company:**

- Gloves
- Hard hat
- Non-prescription safety glasses with side shields

**Items Required on the Job Site Provided by Employee**

| Item   |
|--|
| Tool Box   |
| 25' Tape measure   |
| Level  |
| Soap Stone   |
| Speed Square   |
| 6" Vice-grip C-Clamp (2)   |
| Allen Wrench Set (standard and metric) (3/32" to 3/8")                                     |
| Allen Sockets Set (standard and metric) (1/8" to 3/8" for 3/8" drive)                      |
| Ratchets   |
| Sockets (standard and metric) (1/2" to 1-1/4" for 1/2" drive, 1/4" to 7/8" for 3/8" drive) |
| Drill bit index (1/16" to 1/2")  |
| Tap and Die set with T-handle  |
| Screw Driver set   |
| 4 1/2" Grinder   |
| Pliers (1- lineman; 1- side cutters; 1- needle nose)                                       |
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**Items to be Provided by Employee:**

- Commercial grade drill with battery pack
- Commercial grade Sawzall with battery pack
- Hard soled work shoes

“Commercial grade” means Bosch, DeWalt, Milwaukee, Mikita, Rigid, and Hilti brands.