

Welcome to our company

We are happy you have decided to join our Company and we hope your stay with us is a long lasting and rewarding one.

We realize our Company can grow only through the talents and abilities of our employees. We have been very selective in our hiring by choosing only the best available. You have been chosen over many others because we feel you are capable of excelling and becoming a valuable employee.

We want you to be comfortable here. Ask your supervisors any questions you might have concerning the operations of the company. They are interested in helping you in any way they can. Management will take all comments and criticisms seriously and thoughtful consideration will be given to each of them.

We try to be sensitive to the needs of our employees but sometimes overlook things. Speak up! This is your home eight hours a day and we want you to be happy here. If we can make improvements to our overall work environment or process, we will.

This handbook is intended to provide you with information and guidelines on the policies, procedures and benefits currently in place at the company. It is not intended to be a guarantee of benefits or an express or implied contract of employment. The Company reserves the right to amend or modify the policies and procedures contained herein, with or without advanced notice. Furthermore, the employment relationship is that of an employment at will, where either you or the company may terminate the employment relationship at any time, for any reason, with or without advance notice.

Please make sure that you read this employee handbook and ask any questions that you may have. It is necessary for you to complete the Acknowledgement and Receipt of Employee Handbook and return the signed form to Human Resources within one week of employment.

Thank you for your cooperation in this matter and again welcome to Reading for Education.

OUR MISSION

To Serve K-12 school administrators, faculty, students, and parents with quality and professional services in school fundraising, spirit wear and school supplies.

Table of Contents

ATTENDANCE POLICY.....	4
Calling Out.....	4
Absence.....	5
Extended Absences.....	6
Penalty Points.....	7
Without a Doctor's note.....	7
Doctor's notes (Leave early or tardy).....	8
Non chargeable Excuses.....	9
Subpoenas.....	9
Jury Duty.....	10
Leave of Absence.....	10
Penalties.....	10
BONUS INFORMATION.....	11
Bonus Time.....	11
Yearly Attendance Bonus.....	11
EMPLOYMENT INFORMATION.....	13
Employee Classifications.....	13
Equal Opportunity Employment.....	13
Evaluation and Performance Reviews.....	14
Incarceration.....	14
Job Openings.....	14
Lay Offs.....	15
Loaned Employees.....	15
Nepotism.....	16
Provisional Period of Employment.....	17
Re-Employment.....	17
Referral.....	17
Retirement.....	18
Training.....	18
Unemployment Compensation.....	19
PAY.....	19
Hours of Work/Shift Schedule.....	19
Night Shift.....	20
Overtime.....	20
Pay Period/Pay Day.....	21
Personal Information Changes.....	21
Timekeeping.....	21
DRESS CODE.....	22
General Dress Code.....	22
Manufacturing Dress Code.....	23
BENEFITS.....	23
Credit Union.....	23
Direct Deposit.....	24
401 K.....	24
Holidays.....	25
Insurance.....	26
Cobra-Continuation of Insurance Coverage.....	26
Group Major Medical, Dental, Life and Vision.....	26
Life Insurance and Long Term Disability.....	27
Worker's Compensation.....	27
Vacation.....	27

Percentage of Compensation.....	27
BREAKS.....	28
Break Areas.....	28
Break Periods.....	29
Lunch Period.....	29
CONDUCT CODE INFORMATION.....	29
Anti-Harassment Policy.....	29
Company Rules.....	31
Electronic and Telephonic Communications Policy.....	32
Equipment.....	32
Honor Code.....	33
Mass Notification System.....	33
Open Door Communication.....	34
Personal Phone Calls/Cellphone policy.....	34
Privacy.....	36
Solicitation and Distribution.....	36
LEAVES.....	36
Family and Medical Leave.....	36
Family and Medical Leave for Military Personnel.....	38
Funeral Leave.....	39
Leave of Absence.....	39
Maternity Leave.....	41
Medical Leave of Absence.....	41
Military Leave.....	43
Personal Leave.....	43
SAFETY AND HEALTH.....	45
General Safety.....	45
Drugs and Alcohol.....	45
Fire and Severe Weather Safety.....	45
Fire.....	46
Inclement weather.....	46
General Safety Rules.....	46
Housekeeping.....	48
Infectious Disease Policy.....	48
Personal Safety.....	49
Safety Reporting Steps.....	50
Smoking and Tobacco Policy.....	50
Visitors.....	51
Weapons.....	51
Workplace Violence.....	51
ACKNOWLEDGMENT AND RECEIPT.....	53
OF EMPLOYEE HANDBOOK.....	53
Tornado Safe Zones.....	54
Fire Exits.....	55

ATTENDANCE POLICY

Our customers are our first priority. In order to ensure that our customers are given the best possible service it is important that our employees be at their jobs, on time every day. When an employee is late or absent it causes a hardship on your teammates. Someone has to fill the gap when you are absent or if you are late plus it keeps you from being organized and prepared for the day's work.

Absences can result from an illness or a family emergency. RFE, however, cannot accept repeated or excessive absences or tardiness any more than we would expect our customers to receive poor, inefficient service. Being present and on time is important. All employees will be dealt with equally under the outline of the attendance policy. Should an employee develop attendance problems a written warning, suspension and/or termination may occur according to the rules that follow. Please strive to maintain a good attendance record because it is not a single occurrence that puts a job in jeopardy but an accumulation of occurrences.

Information about an employee's attendance record, penalty points, bonus time and vacation time are recorded by the Human Resources Department. Employees should direct any questions they have concerning this information to their manager.

Calling Out

Employees are required to call in to the Human Resources Department within one (1) hour of the start of their regularly scheduled shift every day they are absent or they will be assessed penalty points in accordance with the following policy guidelines. Employees, in the event of a planned absence, can use the **Pre Sign Out Board** located in H/R. This allows the employee to sign out before their absence thus eliminating the need to call in on the day of the absence or late to work. Employees that are out of work on

an extended leave (more than 10 scheduled work days) including FMLA, worker's compensation or medical leave do not have to call in each day of their absence but should provide the company with information concerning their projected date of return at the beginning of the absence or weekly.

The following rules and regulations apply to attendance. The term "scheduled work shift" includes any overtime hours that an employee may be required to work including daily overtime or weekends.

Absence

Any employee who is absent and calls in no later than 1 hour after the scheduled start of their shift but preferably before the start of their shift will receive **2 points with a doctor's note** for a 1 day absence due to illness or injury. This includes the employee's spouse or dependent children under 21 years of age. When calling in the employee must speak with the Human Resources Director or leave a phone message giving their name, supervisor, the reason for the absence and length of absence.

Any employee who is absent and calls in no later than 1 hour after the scheduled start of their shift but preferably before the start of their shift will receive **3 points without a doctor's note** for a 1 day absence.

Doctor's notes must be turned in within 24 hours of the employee's return to work.

Absent or late without a call within 1 hour of the scheduled start of the employee's shift (5 points)

When an employee reports late after failing to call in within 1 hour of the scheduled shift start the employee will be penalized for the length of time missed and will lose any time they have accumulated towards bonus time/perfect attendance.

Absent 1 to 5 consecutive days due to illness or injury of the employee, employee's spouse or dependent children* under 21 years of age with a doctor's statement covering all missed days (3 points)

An employee who finds it necessary to be absent for more than 5 consecutive working days due to their own illness or injury, or that of a spouse or dependent child* under 21 years of age, is required to apply for a medical leave of absence (See Leave of Absence)

Any employee's absence, lateness or early departure from work which qualifies for FMLA leave will not be charged penalty points under the attendance policy.

Absent 3 consecutive work days without notification is grounds for automatic termination

Absent due to an on the job injury with a doctor's statement (no points)

Absent due to a summons to court for child custody, divorce or lawsuit, etc. (1 point). The employee must provide proof of appearance in court.

Any pertinent documentation concerning an employee's absence must be turned in to Human Resources within 24 hours of their return to work.

Extended Absences

An employee that is to be out for more than 1 day must notify H/R of their need to be out for a time not to exceed 5 days. If the absence exceeds the initial number of days the employee must call H/R within 24 hours of the end of the leave period and give an anticipated return to work date. Employees that have notified H/R in person prior to the absences or on the first day of the absence do not need to call in each day. All absences are subject to the outlines of the Attendance Policy. (Example: An employee calls and states that they must be out due to illness for 5 days. Upon return to work the employee has a physicians' note that covers only 3 days of absence. The employee will be assessed penalty points for the 3 days covered by the note and points for each of the two days not covered by the doctor's note.)

Employees that are out of work on an extended leave (more than 10 scheduled work days, including FMLA, worker's compensation or medical leave) do not have to call in each day of their absence but should provide the company with information concerning their projected date of return at the beginning of the absence or weekly. Any pertinent documentation concerning an employee's absence must be turned in to Human Resources within 24 hours of their return to work.

Penalty Points

Without a Doctor's note

Reporting late or leaving early **more** than 4 hours in a scheduled shift (3 points)

Reporting late or leaving 1-4 hours in a scheduled work shift (2 points)

Reporting late or leaving early **less** than 1 hour (59 minutes) in a scheduled work shift (1 point)

Any employee who is scheduled to work overtime and refuses during any calendar quarter:

First occurrence-1 point

Second occurrence-written warning

Third occurrence-2 day suspension

Fourth occurrence-termination

Absence on a scheduled Saturday or Sunday when overtime is required will be considered the same as other workdays and will be assessed as a 3-point penalty.

Any employee who is late or absent and does not call in within 1 hour after the scheduled start of his/her shift and speak with **Human Resources** will be assessed a 5 point penalty.

Doctor's notes (Leave early or tardy)

Reporting **more** than 3 hours late or leaving **more** than 3 hours early due to a doctor's appointment with a doctor's note for the employee or their spouse or dependent children* under age 21 years of age (1 points).

Reporting less than 3 hours **late** or leaving less than 3 hours **early** due to a doctor's appointment with a doctor's note for the employee or their spouse or dependent children* under 21 years of age (0 points)

All doctor's appointments must be verified with a doctor's statement submitted within 24 hours of the employees return to work

If an employee comes in late and leaves early in the same day they will receive the appropriate number of points for the time missed with the most points applying to the day (ex: come in 10 minutes late but leave 1-4 hours early in a single day points for leave early will count for the day at 2 pts.)

Any employee who fails to swipe their badge will receive (1 point) per occurrence

Forgetting your badge will result in (1 point) for that day

Any employee that is late due to inclement weather that causes the Rutherford County School system to close will be allowed a 1-hour grace period (0 points). The employee **must** still call in within 1 hour of the start of their shift. Employees are expected to be at work and on time unless road conditions are determined to be hazardous. Employees should use their own discretion.

Any employee that is late or leaves early due to school registration of their dependent child* will be allowed a two (2) hour grace period (0 points). This is limited to one excused period per child per school year.

Any employee that is enrolling in continuing education in an accredited college, trade school, etc. will be granted a two (2) hour grace period, when

required, to register for their own schooling. This is limited to one excused period per school year.

**The definition of dependent child extends to a child that is in the legal care of the employee. Employees will be asked to provide court documentation to verify guardianship.*

***Bonus time can be used in some of these scenarios. Please check with your manager or Human Resources for details.*

Non chargeable Excuses

Any employee absent from work to serve jury duty must provide their manager with a copy of the call to jury duty.

Subpoenaed to court for an action in which they or a family member are neither defendant or plaintiff. Any employee absent from work to answer a subpoena to court must provide their manager with a copy of the court subpoena in order for the absence to be correctly recorded. Employees must provide a note from the court involved stating that they did, indeed, appear for the action. Failure to provide documentation will result in the absence being subject to the points system.

Employees are granted three free swipes for the school year with zero (0) points. These can be used for a missing badge, a missed swipe or for a tardy of less than 5 minutes.

Subpoenas

Any employee who is subpoenaed to court will be excused without pay for the date specified by the subpoena. The employee will be asked to submit, at the end of their appearance, but no later than 24 hours from the date of appearance, proof from a court officer of the requirement to appear and the length of the appearance. If no note is provided the absence will be treated in accordance with the attendance policy. Providing proof of subpoena and appearance will result in zero (0) points accumulation. Employees will not be

paid in this instance unless they use accumulated vacation or bonus time. Bonus time must be used to cover time away from work to insure the continuation of any Perfect Attendance time that the employee has accumulated.

Jury Duty

Any employee who is summoned to serve for jury duty will be excused for the period certified by the Clerk of the Court. If an employee reports for jury duty and is eliminated before 12:00 (Noon) they are required to report to work. Employees will not receive points for arriving late on these days but must provide a note from the court that they were dismissed for the day. If an employee is released before 12:00 (Noon) and fails to report to work they will receive attendance points.

Leave of Absence

Personal Leave is 5 points

Medical Leave is 0 points

Maternity Leave is 0 points

Military Leave is 0 points

Funeral Leave is subject to Funeral Leave policy

Please see Leave Section of handbook for details concerning extended leaves.

Penalties

- 1) Employees receive a verbal warning after 7 points (**Drops off at the end of the quarter in which it is issued.**)
- 2) A written warning is for 10-14 points in a calendar quarter (**Remains on the employees record for 1 year from date of issue**)
- 3) Suspension: 2 days off without pay: 15-20 points in a calendar quarter or Second attendance related disciplinary action in any 12 month period. (**Remains on the employees record for 1 year from date of issue.**)
- 4) Discharge: 21 or more attendance points in a calendar quarter or Third attendance related disciplinary action in any 12 month period.

A quarter is defined as: January 1 thru March 31
April 1 thru June 30
July 1 thru September 30
October 1 thru December 31

All acceptable physicians' notes, subpoenas, etc. on absences must be turned in to H/R within 24 hours of the absence in order to have any points rescinded. Notes will be verified with the healthcare providers office on a random basis.

Managers and team members will report to Human Resources for counseling in the event a warning is received.

BONUS INFORMATION

Bonus Time

A regular hourly full or part time employee who completes 240 consecutive scheduled working hours without an absence or without being late or leaving early will earn 4 hours of paid time off referred to as Bonus Time. Bonus Time cannot be used on the day the certificate is issued. This time can be accumulated for up to one year. There is no rollover on this benefit and the date of expiration is noted on each certificate that is issued. Usage of the accumulated time is subject to management approval. Bonus Time must be used in increments of no less than 15 minutes. Any time used is paid at the employees straight time pay rate. Bonus time can be cashed out at the straight time pay rate.

Lost certificates will not be replaced. Certificates must be cashed out or used on or before the expiration date listed on the certificate.

Yearly Attendance Bonus

For our employees to be present and on time is of great importance to the efficiency and productivity of our operations. The company is pleased to

offer an attendance bonus award for hourly employees who maintain outstanding attendance. A regular full or part time employee who works 1,920 consecutive scheduled working hours without absence or without leaving early or being late will receive a \$500.00 bonus. Any employee who earns the bonus for two (2) OR MORE consecutive years will receive an additional \$100.00 bonus per year for perfect attendance. To qualify, an employee must also work all required overtime.

Any and all attendance issues must be covered by Bonus Time in order for accumulation of hours towards Yearly Attendance Bonus to remain intact.

Incentive Time

Incentive time is issued as a reward for a job well done and is given at the discretion of the department. Incentive time must be issued on an RFE Incentive Time Form only. No department forms will be accepted. The certificates are not valid without the signature of the employee's executive. Certificates that are won thru drawings, etc., will be sent to the executive for their signature prior to issuing to the employee. Incentive time can be used only with the knowledge and consent of the manager affected and the certificate must be initialed by the manager when it is redeemed.

Incentive time can be used for up to 1 year (variations will be noted on the Incentive Time certificate) from the date of issue of the certificate. Certificates that expire during layoff, sick leave, etc. will not be honored.

Incentive time cannot be cashed in rather than being used for time and cannot be used on the same day it is issued or won.

Incentive time will be issued in increments of no greater than 15 minutes per certificate unless it is a special issue from Human Resources.

Incentive time can be used in 5 minute increments.

Lost incentive time certificates will not be replaced.

EMPLOYMENT INFORMATION

Employee Classifications

An Active Employee is an employee who is either actively working or on a temporary layoff. All benefits continue as normal.

A Regular Full Time Employee is an employee who is scheduled to work thirty or more hours a week for a continuous, indefinite period of time and is, therefore, eligible for all applicable pay and benefit purposes.

A Regular Part Time Employee is an employee who is scheduled to work less than thirty hours a week for a continuous and indefinite period of time. This classification of employee is eligible for some benefits that are specifically referenced.

Temporaries are personnel who perform work on a temporary basis and are contracted through a licensed temporary employment agency. Temporaries are not eligible for company benefits. Temporaries who are hired by RFE as regular full time employees will complete a 60-day probationary period.

Eligibility status for company benefits for all employee categories will be based on the date of hire by RFE.

Equal Opportunity Employment

RFE wishes to state and affirm that it is policy and practice to recruit, hire, train and promote without regard to race, color, religion, creed, sex, age, national origin, veteran status, qualified handicap or certain health conditions. All personnel actions such as recruitment and selection, employment terms and conditions, promotions, transfers, access to benefits appraisals or annual reviews, assessment of performance, dismissal and post termination, gender reassignment, marriage and civil partnership, pregnancy and maternity related conditions, compensation, benefits, transfers, staff reductions, etc. will be administered without regard to race, color, religion, creed, sex, age, national origin, veteran status or qualified handicap.

Evaluation and Performance Reviews

Performance feedback is provided periodically to help promote a well-rounded working relationship. This provides an opportunity for a manager and team member to discuss past performance and mutual expectations for future growth. Employees will be reviewed periodically at the management's discretion. Human Resources will send evaluation forms on the employee's anniversary date to the employees' manager. Performance reviews may be conducted at any time outside of the established guidelines if determined appropriate by management. Completed performance reviews will be maintained in the employees permanent record.

Incarceration

In the event an employee becomes incarcerated RFE reserves the right to terminate the employment of that person. At the end of a period of incarceration, RFE will accept the application of any person and will consider them for re-employment. These applicants will be viewed and treated as a new employee. If hired they will be subject to the 60 day probationary period and any other conditions pertaining to a new employee.

Job Openings

All job openings within the company and its divisions will be posted internally for a specified period indicated on the posting. Employees must be employed in their current position for 6 months before they are eligible to transfer to another position. After transfer employees are then ineligible to bid on another position until they have completed 6 months in the current job. A move may be made at management's discretion if it is in the best interest of both the company and the employee. After a move to a new department the employee will be in a 30-day provisional period but any benefits or company seniority will not be affected.

After the initial internal job posting employees are encouraged to refer

family, friends and acquaintances for open positions at RFE. Please see the Referrals and Nepotism section of this document for information pertaining to employment.

Lay Offs

RFE sells directly to schools so all employees may be subject to a lay off during various periods throughout the year including December and over the summer months. Layoff periods vary from year to year and there is no guarantee that a layoff will or will not occur or the duration of the layoff period. Due to the nature of our business layoffs may also occur at other times during the year. Employees will be provided with a Separation Notice containing the layoff date and projected return to work date. An employee is required to return to work on the day designated by management as the return date from the lay off or the employee may be terminated. Projected dates of return to work are subject to change at the discretion of the company as needs arise and affected employees will be notified of any changes.

During periods of lay off the employee will be responsible for any insurance premiums due for personal insurance coverage. Any amount in arrears may be deducted from vacation pay, bonus or pay earned after lay off has ended. Some positions may require year round employment dependent upon the needs of the company.

Loaned Employees

From time to time employees are loaned from one department to another. During these periods of time the employee will view the manager of the department in which they are working as their interim manager. It will be the responsibility of the interim manager to submit any pertinent information concerning hours worked, exceptions, etc. to Human Resources.

It is the responsibility of the employee to look upon the interim manager as their source of authority and to adhere to directions concerning work, schedules and behavior. The interim manager, in the instance of need for disciplinary action, termination, etc. must consult with the employee's

permanent manager before any decisions will be made. The interim and permanent managers will be responsible for issuing any disciplinary actions as pertains directly to their department. At the end of the assignment the employee will be directed to their permanent manager for reassignment. If the employee is not needed it will be the responsibility of the permanent manager to complete the layoff process.

Employees who are “on loan” to another department will be subject to the scheduling of that department including any variations in work hours, lunch, break periods and overtime. Loaned employees will not be expected to work overtime on the first day in a new department but should be notified by management of any overtime that has been scheduled. From that time forward the loaned employee will be responsible for working overtime hours. It is up to the employee to be aware of schedules and adhere to them as if they were working in their regularly assigned position. Failure to meet departmental schedules will be subject to the penalty points system and disciplinary action.

Employees can, for labor cost purposes, be loaned within a company but not across company lines. Permanent and interim managers should alert Human Resources of any labor exchanges to insure allocations for labor costs, work schedules and that records are maintained accurately.

Nepotism

Reading for Education views itself as a family oriented company. The company works to avoid favoritism, the appearance of favoritism or any conflicts of interest when making employment or advancement decisions. It is the company’s intention to hire the best person for each position taking education, background and experience into consideration. It is, however, the policy of RFE that no manager or executive will have as a direct report, a family member in either a full or part time capacity.

Family member will be defined as:

Spouse

Natural, step or foster mother/father/grandparent

Natural child, step or foster child/grandchild
Sibling/half sibling
Parent or step parent in law
Guardian or ward
Aunt/uncle/niece or nephew
The spouse of any listed persons
Persons residing in the household of a manager or executive

All employment decisions are based upon a candidate's qualifications for the position, ability and performance.

Provisional Period of Employment

All new employees are subject to a period of provisional employment for the first sixty (60) days of continuous employment. During this time the benefits of a regular full-time employee are not available unless otherwise specified. During this time the employee will begin training and learning their new position and management will monitor the employee closely. The provisional period may be extended at management's written request, for thirty (30) additional days.

Re-Employment

In order to be in good standing and to be eligible for consideration for reemployment an employee should give a resignation, in writing, with at least a one (1) week notice. Upon leaving RFE, Human Resources will, if possible, conduct an exit interview. The employee can, at their discretion, refuse an exit interview.

Should an employee leave the company voluntarily and later seek to be re-employed, consideration will be given based up on the employee's prior work record, the circumstance involved with their previous employment and termination along with suitability for current job openings.

Referral

We are always happy to have employees refer their friends and family for

employment here at RFE. On their application, a potential employee may list a current employee by name as a referral for employment. After the new hire completes their probationary period, the referring employee will receive a \$250.00 bonus for a sales hire referral or \$100.00 bonus for other referrals including manufacturing. The referring employee must be employed at the end of the new hires probationary period to receive the referral bonus. In the case of a former employee that is returning to the employ of RFE they are not considered eligible for the referral bonus.

Retirement

To be considered eligible for retirement an employee must have reached the age of 59(fifty-nine) and have completed 10 (ten) years of service at RFE or one of its subsidiaries.

Employees that wish to retire need to notify RFE in a timely manner. No less than 2 (two) weeks notice before proposed retirement is expected. Highly educated, specialized or skilled members of the staff are requested to give a 2 (two) month notice. In the event that an employee is forced to leave due to health issues notification may not be necessary and each case will be evaluated on an individual basis. Employees planning for retirement should consult with Human Resources and Payroll concerning insurance, 401K, etc.

Training

The goal of our on the job training program is to give each employee an ample opportunity to develop and apply their skills to the required tasks. RFE will strive to provide the best equipment, training and most efficient methods available in an effort to make the employee's job easier. Employees are encouraged to ask questions and are responsible to insure their own understanding of the functions and duties associated with their job.

Unemployment Compensation

Unemployment insurance is paid by RFE. Its purpose is to help an employee meet the loss of income resulting from a loss of employment that is beyond their control. Benefits are paid through the State of Tennessee while the employee remains out of work. This form of protection is in addition to other benefits and is subject to state rules and regulations.

When employees are placed on lay off they are provided with a Separation Notice to use in filing for unemployment benefits with the State of Tennessee. It is the sole responsibility of the employee to file for these benefits and RFE plays no role in filing for or the issuance of benefits. Questions or issues that arise from filing for or receipt of benefits should be addressed by the employee directly with the Tennessee Department of Workforce Development.

Upon return to work it is the responsibility of the employee to cease weekly certifications with the state. Ceasing weekly certification will discontinue issuance of unemployment benefit payments.

REMEMBER: Continuing to certify for unemployment benefits after returning to work constitutes fraud and may result in loss of future benefits along with actions by the state of Tennessee which include collection of overpayments through garnishments or legal actions.

PAY

Hours of Work/Shift Schedule

The hours of work/ shift schedules are dependent upon the position and demands of the department and/or company. Plant and office hours vary and are subject to change with notice from management. All employees are expected to know their work schedule and to be at their workstation at the scheduled starting time.

Employees who are “on loan” to another department will be subject to the scheduling of that department including any variations in work hours, lunch, break periods and overtime. Loaned employees will not be expected to work overtime on the first day in a new department but should be notified by management of any overtime that is scheduled. From that time forward the loaned employee will be responsible for working overtime hours. It is up to the employee to be aware of schedules and adhere to them as if they were working in their regularly assigned position. Failure to meet departmental schedules will be subject to the penalty points system and disciplinary action.

Night Shift

Employees who work the night shift will receive a pay differential. To qualify the employee must work a minimum of 30 hours per week and their shift must begin no earlier than 2:00 PM. If the employee moves to a day shift position the pay differential will no longer be in effect.

Overtime

Employees who work more than forty (40) hours per week shall be paid at the rate of one and one-half (1½) times their regular rate of pay for all hours worked in excess of forty (40) hours. The company reserves the right to schedule overtime without notification. In some instances, overtime may be mandatory. Failure to work overtime hours will be subject to the RFE disciplinary policy and may result in penalty points being issued. Naturally, management will make every effort to give timely notice and will expect the co-operation of all employees in such circumstances.

*Bonus Time, Vacation and Holidays do not accumulate in the hours in excess of the forty (40) regular hours work time.

Pay Period/Pay Day

The weekly pay period shall begin at 12:00 AM on Saturday morning and will continue for a period of 336 hours (14 days) thereafter ending at 11:59 PM on Friday night. Direct deposits, which are required, will be made the Friday following the end of the previous pay period.

Personal Information Changes

It is your duty to inform Human Resources of any changes affecting your records. Address, phone number, marital status, legal name change, number of income tax allowances, change of beneficiary or change in banking information should all be submitted to Human Resources as soon as possible after the change occurs. You should also be sure to make any changes in emergency contact information as soon as possible. There may be situations during which we would have to contact either you or your emergency contact and we need correct, current information. Change forms are available either thru Human Resources, Payroll or the RFE Employee Website.

Timekeeping

Each employee will be issued an identification badge which the employee is required to wear at all times while in the building. The badge must be worn on the front of the body and should not be covered by hair or clothing with the employee's picture and name visible. Active badges are required for operation of the secure door system and the time clock.

An employee should turn in their badge to their manager or to Human Resources upon resignation, termination or lay off. Badges will be reissued upon the return to active duty. Badges are reissued at no charge at the start of active employment or return from lay off. There is a \$5.00 charge for replacement when the employee loses or damages their badge with replacement fees being deducted from the next paycheck. If a badge is proven to be defective there is no replacement fee.

All hourly employees will be required to clock in and out at the beginning

and ending of work shifts and meal periods by swiping their badge at any of the time clocks located throughout the building in or near your work area.

At your scheduled work time you should be at your workstation and remain there (except for scheduled breaks/lunches) until your shift ends.

In the event you forget your badge or forget to punch in or out please notify your manager that workday as soon as possible. Failure to punch may result in the issuance of penalty points.

Clocking another employee in or out is **never permitted** and is cause for discharge.

DRESS CODE

General Dress Code

We maintain a dress code that allows for the safety and professionalism of all employees. All employees are expected to be neat, well groomed and suitably dressed. While RFE does not propose to determine or dictate styles of grooming and dress employees are responsible for being dressed and groomed appropriately. Extreme dress or personal appearance, which disrupts, in any way, the normal workday or endangers the safety of the employee or others is prohibited.

Inappropriate dress includes:

Spandex of any kind

Short shorts (Shorts more than 2 inches above the knee)

Micro miniskirts (Skirts more than 2 inches above the knee)

Clothing with spaghetti straps, bare backs, bare midriffs, or bare shoulder

Any type of clothing determined to be provocative

Any low-rise pants where the midriff is allowed to show

Leggings that are not covered by a top that extends to two inches above the top of the knee.

Torn or ripped jeans

Exposed cleavage

Employees that enter the manufacturing sections of the building (areas that

do not have tile or carpeting) are required to wear enclosed shoes when in these areas. Office employees including sales and administrative employees must dress in “office attire”.

*Summer dress down will be announced through Human Resources at both the beginning and the end of the dress down period. The Executive Committee will determine the dress down season. Dress code compliant shorts can be worn in the non-manufacturing sections of the building during this period.

Manufacturing Dress Code

Manufacturing employees must adhere to the general dress code of the company but there are some additional considerations. Employees that have workstations in the manufacturing areas of the building (areas that do not have tile or carpeting) are required to wear enclosed shoes at all times. Manufacturing employees should also refrain from wearing excessively loose or baggy clothing and dangling jewelry that has the potential to become entangled in machinery.

Due to climate variations in the manufacturing areas of the building the dress code may vary with those employees being allowed to wear acceptable dress code compliant shorts for a period of time exceeding the announced dress down period.

BENEFITS

Credit Union

RFE offers our employees an opportunity to join Ascend Federal Credit Union as a part of our benefits program. Membership is voluntary and can be achieved thru depositing \$5.00 into a savings account. Ascend offers a variety of services including on-line banking, IRA's, ATM Cards, overdraft protection, STAR account access, real estate loans and credit cards to name a few. Human Resources or Payroll can be contacted for an enrollment packet.

RFE offers a Christmas Savings Account to employees through Ascend to allow them to save for special purchases. Please see H/R for details.

Direct Deposit

Payroll is thru direct deposit. Each employee is required to have either a checking or savings account for this purpose. New hires will be given a 90-day grace period in which to establish a direct deposit account. If, after this period, they have not established a direct deposit account there will be a \$10.00 administration fee deducted from their check for each pay period that requires a manual check. If an employee makes changes to an established bank account or changes banks a 60 day grace period will be granted before the \$10.00 per pay period administration fee will be charged.

401 K

RFE offers its employees a 401K retirement plan. The 401K plan provides employees an option to save for retirement using pretax dollars. The Roth 401K plan provides employees an option to save for retirement using after tax dollars. Participation is voluntary and RFE matches employee contributions up to an annual maximum company contribution of \$2,000 per year. Effective October 1, 2017 enrollment in the program will be automatic. Each employee covered by the 401K plan will have an automatic 1% salary deferral. Every January 1st your deduction will increase an additional 1% until a maximum of 10% has been reached. There is a 60-day waiting period after employment before enrollment. The 401K and Roth 401K plans are described in more detail in the Employee Benefit Summary Handbook. Employees meeting the IRS guidelines may make Hardship Withdrawals. Loans are not available from 401K funds.

Holidays

RFE will be closed in observance of the following holidays:

New Year's Day	Labor Day
Martin Luther King Day	Thanksgiving Day
Good Friday	(Friday after Thanksgiving Day)*
Memorial Day	(Christmas Eve)*
Independence Day	Christmas Day

**Due to the requirements of the specific department some employees may be required to work on these days.*

In order to qualify for holiday pay the employee must meet the following conditions:

1. The employee must be regularly scheduled to work and must work the entire scheduled workday both before and after the holiday to be eligible for holiday pay. If vacation is scheduled in advance before or after the holiday the entire scheduled workday prior to and following vacation must be worked.
2. The employee must be scheduled to work on a holiday in order to receive holiday pay. (EX: Independence Day is on Thursday and the employee must be scheduled to work on Thursday in order for holiday pay to be received.)
3. The employee can not have any attendance or punch incidents in the day prior to or after the holiday. Attendance issues include arriving late, leaving early, etc. Punch incidents include failure to punch in or out at any time during the day. Punch incidents or attendance issues before or after a holiday must be covered by Bonus Time in order for Holiday pay to be granted and/or Yearly Attendance accumulations to remain intact.
4. Employees must not be laid off or on any type of leave for more than thirty (30) days prior to the holiday in order to receive holiday pay.
5. Holiday pay will be paid at the employee's straight time hourly rate and will equal the number of hours in the employee's regularly scheduled workday not to exceed eight (8) hours. Should your position require that you work on a holiday you will be paid holiday pay plus the hours

worked on that day.

6. Completion of the 60 day probationary employment period.

Regular part time employees will be paid holiday pay at the average daily rate for the week prior to the holiday.

Insurance

Cobra-Continuation of Insurance Coverage

COBRA or the Comprehensive Omnibus Budget Reconciliation Act of 1986 is a federal regulation that gives employees and their eligible dependents the option, under certain conditions, to continue their group health and/or dental coverage beyond the date of employment termination. To receive more information or to elect COBRA insurance continuation, contact the Human Resources Department.

Group Major Medical, Dental, Life and Vision

Employees are eligible for insurance coverage the first of the month after 60 days of employment. There is a 30-day grace period in which to enroll after the 60 day employment requirement has been met. Failure to enroll during the initial eligibility period will result in the employee having to wait for the next annual Open Enrollment period. The only exception to this rule is a life change that can be defined by Human Resources. Details of the Insurance Benefits are available in the Employee or Manager Benefit Summary.

Conditions for enrollment include:

1. Regular Full Time Employees (30 hours or more per week)
2. The group insurance provider subject to evidence of insurability determines coverage.
3. Insurance becomes effective only at the beginning of the month and is terminated at the end of the month.
4. Any person that has insurance and is laid-off or on any type of company approved leave of absence **must** maintain the employee payments either bi-weekly or monthly. Failure to make payments may result in past due

premiums being deducted from vacation, bonus or final pay and/or removal from the insurance programs.

5. If an employee anticipates a layoff or LOA, the employee may make additional voluntary deductions to pre-pay insurance.

Life Insurance and Long Term Disability

RFE provides a \$15,000 life insurance policy and long term disability coverage for all of our hourly employees both full and part time at no cost to the employee. Hourly full time employees who complete sixty (60) days of employment, and sign up for life insurance and disability will receive the \$15,000 life insurance coverage along with the disability coverage on the first of the month following 60 days of employment. Sun Life Insurance Company provides our life insurance and long term disability coverage.

Worker's Compensation

RFE has Worker's Compensation coverage on all of its employees to cover injuries or illness that are work related. Worker's Compensation is required by law and is paid for entirely by RFE. Benefits available under Worker's Compensation extend to medical costs and weekly benefit payments for disabilities lasting more than 7 workdays. RFE is dedicated to employee health and safety. Any accident that occurs on the job, no matter how small, must be reported to your supervisor immediately.

Vacation

Effective **June 1, 2001** all regular full-time and part-time employees, who have completed their initial 60 days of employment, are eligible for vacation. Due to the nature of our work hourly employees receive pay in lieu of days off. Employees will accrue vacation pay according to the following schedule:

Length of Service	Percentage of Compensation
2-23 months	2% of Annual Compensation
2-5 years	3% of Annual Compensation
6-10 years	4% of Annual Compensation
11-19 years	5% of Annual Compensation
20 years or more	6% of Annual Compensation

All wages paid from June 1 of the previous year until May 31 of the current calendar year will be used in the calculation of vacation pay. All active hourly employees will receive vacation pay on their regularly scheduled paycheck that is paid closest to but prior to July 2nd. (Example: Regular paycheck is paid June 26th vacation time would be included.) If employment is terminated for any reason the eligible employee will receive earned vacation pay on the first regularly scheduled pay following separation.

All year round regular full-time employees who have completed 9 months of employment are eligible for vacation time. Vacation time must be scheduled thru your department manager and is subject to any requirements established by the company. Time off for hourly employees is based on the following schedule:

Length of Service	Vacation
9 -23 months of employment	1 week of vacation time
2-5 years of employment	2 weeks of vacation time
6-10 years of employment	3 weeks of vacation time
11-19 years of employment	4 weeks of vacation time
20-24 years of employment	5 weeks of vacation time
25 years or more of employment	6 weeks of vacation time

If an employee is on layoff longer than their period of vacation at any time during the year they lose their year round status and revert to the pay for percentage system.

BREAKS

Break Areas

For the convenience of all employees we provide break areas to be used for lunch, dinner and break periods. These areas are located both inside and outside the building on company property. Employees must confine their food and beverages to break areas. These areas should be kept clean by placing trash in receptacles, cleaning off tables, washing any dishes used, wiping off countertops, stovetops and wiping spills from the inside of

microwaves or floors. Employees should mark items stored in the break areas and refrigerators with their name and the date items are placed in these areas. Break room refrigerators are cleaned out every Friday afternoon. Please remove all food and containers from the refrigerator every day.

Break Periods

All employees are encouraged to take a fifteen (15) minute paid break during every four consecutive hours of work for both refreshment and relaxation. Break periods are set by your department manager. During your break you are required to remain on company property and refrain from visiting your vehicle. Break periods end promptly and you should be at your workstation immediately following break. If more than two hours of overtime is scheduled additional breaks may be scheduled by your manager.

Employees are not allowed to return to their vehicles during break periods without a manager's approval and then only to retrieve items.

Lunch Period

Employees working in full-time positions will receive an unpaid lunch or dinner break to occur sometime near the halfway point of the shift subject to scheduling by each department manager. Employees are required, by state law, to receive at least one 30 minute unpaid break if they have completed 6 hours of work. Hourly employees are required to punch in and out for meal breaks unless otherwise directed by a member of management.

CONDUCT CODE INFORMATION

Anti-Harassment Policy

We are committed to providing a workplace that is free from all forms of illegal harassment and discrimination including harassment and discrimination based on race, color, religion, creed, sex, sexual orientation, national origin, age, veteran status or disability. Each employee is

responsible for being familiar with this policy and refraining from conduct that may be in violation.

The company deems any type of illegal employment related ‘harassment’ unacceptable. This includes but is not limited to slurs, jokes, deliberate touching, display of offensive materials and other unwelcome and offensive verbal, graphic or physical conduct or behavior relating to an individual’s race, color, religion, creed, sex, national origin, age, veteran status, disability or other classification protected by law.

For purposes of this policy ‘sexual harassment’ includes unwelcome sexual advances, requests for sexual favors and other verbal, graphic, or physical conduct or behavior of a sexual nature when:

1. Submission to such conduct is made explicitly or implicitly a term or condition of an individual’s employment;
2. Submission to or rejection of such conduct by an individual is used as the basis for work related decisions affecting that individual; or
3. Such conduct has the purpose or effect of unreasonably interfering with an individual’s work or creates an intimidating, hostile or offensive working environment.

RFE will not tolerate illegal harassment in any form. Such conduct may result in disciplinary action being taken up to and including dismissal from employment. RFE encourages individuals to report incidents of harassment and provides avenues by which they can report such incidents. An individual who believes he or she is the victim of illegal harassment or who witnesses illegal harassment of others should immediately discuss his or her concerns with their manager or the Human Resources Director. We will promptly investigate and respond to all complaints of illegal harassment. Appropriate steps will be taken promptly to investigate and respond to any complaints of illegal harassment involving an employee, or non-employee’s conduct or behavior under this policy whether the non-employee is a client, vendor, visitor or other person.

All reports of harassment will be treated in a confidential manner. Retaliation

against anyone involved in reporting an incident of harassment is prohibited. Conversely, the filing of an intentionally false report of harassment is considered a violation of this policy and is subject to disciplinary action.

Company Rules

Various rules have to be observed for the betterment and well-being of all involved. Company rules are established to be constructive. The following practices detract from the best interests of not only the company but also the employees and failure to comply can result in disciplinary action. These rules are in addition to those rules and policies already set forth, are not all-inclusive and are subject to change upon notice:

1. Failure to react promptly and courteously to instructions given by a member of management unless that request is illegal or could result in personal injury to the employee or another member of the staff or property damage.
2. Falsifying, withholding or tampering with company records.
3. Leaving your assigned work area without permission.
4. Stopping work before the specified times for breaks, meals or end of shift.
5. Failure to return to work promptly at the end of the break or meal periods.
6. Returning to your vehicle during the work day without management permission.
7. Unauthorized use, misuse or vandalism of company tools, property or equipment.
8. Unauthorized posting, removing or defacing of signs or notices.
9. Being repeatedly late or absent as set forth in the attendance policy.
10. Failure to abide by all safety rules and guidelines.
11. Unauthorized removal (**theft**) of company property or the property of another employee.
12. Repeated use of offensive language.
13. Disrupting the normal workplace atmosphere in any manner_ including horseplay.

14. Harassment of another employee in any context whether physical, verbal, sexual, implied or actual.

RFE follows a system of progressive discipline, which provides that the employee may receive a verbal or written warning for performance issues and disciplinary problems relating to failure to comply with company rules, regulations and procedures or unacceptable behavior. The company does, however, reserve the right to terminate an employee without any prior notice.

Electronic and Telephonic Communications Policy

All electronic and telephonic equipment and all communications and information transmitted by, received from, or stored in related systems are the proprietary property of Reading for Education and are to be used solely for job-related purposes. The use of any such software or business equipment systems, including, but not limited to telephones, voice mail systems, emails, modems, facsimile machines, computers and copy machines (collectively “Systems”) for private purposes must be kept to a minimum so as not to interfere with work. This usage is generally limited to non-working times and authorized by a member of management (for example, lunch or other authorized breaks), subject to the terms of this policy.

Accessing of the internet during work hours for non-work related activities is not permitted. Employees that access the internet for personal reasons during work hours will face disciplinary action. The first violation will be a verbal warning to be recorded in the employee’s personnel file. Future violations will be assessed at one (1) point each with a written warning being entered in the employee’s work record. Violations will remain on record for one year from the date of the warning.

Equipment

All personnel will be expected to take good care of the machinery, supplies and equipment assigned to them for use in completing their daily work

duties. Operating and maintenance procedures have been established for RFE's equipment and should be followed in order to maintain proper operation of the machinery and equipment. Any problems with machinery or equipment should be reported to a manager immediately. Do not attempt to operate or repair equipment on which you have not been trained.

Honor Code

All RFE employees are expected to report any known or suspected violations of corporate policy including but not limited to inappropriate handling of company assets, vandalism of company property, theft, filing of false claims or violation of company policies as outlined in this Handbook. Employees are encouraged to report any such activity to a Manager or Human Resources with details of the infraction or suspected infraction.

Employees will be protected from any form of retaliation and no adverse action will be taken against a person who “in good faith” reports inappropriate behavior even if the report turns out to be unfounded. Retaliation includes discharge, demotion, suspension, harassment, denying of promotion, transfer or any other employment related action taken against a staff member because of their report or cooperation in any corresponding investigation. An employee who believes that, he/she is being retaliated against for filing a “good faith” report should contact their Manager or Human Resources immediately so that an investigation can be made into the allegations.

Mass Notification System

RFE has a Mass Notification System in place for use during extreme circumstances. These circumstances may include but are not limited to inclement weather, widespread, lengthy power outages, unforeseen business interruptions, etc.

If, after a reasonable time when one of the above mentioned circumstances has occurred, the employee has not received a text message they are directed to call the Mass Notification Number provided to them by RFE at the time of

hire. There will be a recorded message, if extreme conditions exist, that will include instructions dictated by RFE management concerning the continuance or restoration of business. This line is strictly for the dissemination of information and should not be used to leave messages concerning availability for work or for any other reason.

We use texting to alert employees via the Mass Notification System.

Employees are requested to give their cellular phone number and service provider to Human Resources. This information is added to a list that can be used to send mass text messages concerning crucial work related events as previously stated. It is the duty of the employee to keep their contact records accurate and RFE is not responsible for any missed messages or repercussions that may result.

Open Door Communication

RFE recognizes that harmonious relations with its employees can be maintained and improved through effective communications. The interests of all parties can best be served by sincere efforts of all concerned to promote understanding and cooperation.

It is our policy to encourage employees to bring to the attention of management their suggestions or concerns about work related situations. We strongly encourage using the chain of command. The employee should bring matters of concern to the attention of their immediate manager. Employees may contact Human Resources if they feel that their issues are not being addressed by the manager involved. Human Resources will then communicate the employees' concerns to upper management. Through the open door policy each employee has the opportunity to communicate their suggestions or concerns to RFE using the outlined steps.

Personal Phone Calls/Cellphone policy

RFE cannot allow employees to receive or make personal calls or texts during working hours. We will deliver a message to an employee if requested by a calling party. We will, in the event of an emergency, call an

employee to the telephone but only if the caller:

Indicates to the switchboard operator that the call is urgent in nature

Divulges to the employee's manager the nature of the emergency.

All personal cellular devices including telephones, Bluetooth devices, smart watches, tablets etc. are to be turned completely off upon/before entering the building and should remain off and put away during work hours. Continuous Glucose Monitoring devices or other medically necessary monitoring devices where proximity is required are exempt from this rule. Telephones are not to be used as a music listening device. Use of personal cell phones for calls and text messages is allowed only during scheduled breaks or lunch and is limited to areas outside the building and in designated break rooms only. Cell phones may not be turned on or used in restrooms, hallways or work areas even if the employee is on break. Remember that employees are not allowed to return to their vehicles during break periods.

Employees in violation of this policy will receive a verbal warning with further violations being assessed at one point (1) each. Warnings and points will be removed one year after issuance.

Infractions will be handled as follows:

1st occurrence (Verbal Warning)

2nd occurrence (Written Warning)

3rd occurrence (Employee's cell phone banned for 3 months)

4th occurrence (Termination)

Verbals start over at the beginning of each quarter but 2nd and 3rd warnings stay on the employee's record for one year from the date of the warning.

Three warnings in a year will result in termination.

Cell phone warnings will not be combined with attendance, internet or safety warnings.

Privacy

Once an employee has come to work for the company they should have “no reasonable expectation of privacy”. The company reserves the right to search desks, lockers, purses, bags, packages, persons and any other items brought into or out of company property any time the management deems appropriate. Use of telephones, computers, all systems and RFE equipment is also subject to review by management.

Solicitation and Distribution

In the interest of efficiency and safety, employees of the company are prohibited from engaging in solicitation of any kind during work time including the distribution of materials of any kind during working time or in work areas. Use of Company property including phones, copiers, computers and email servers is prohibited. Non-employees are not allowed to solicit or distribute written materials on Company property at any time.

LEAVES

Family and Medical Leave

Employees who have worked 12 months and at least 1,250 hours in the one year period immediately preceding the request are eligible for up to 12 **unpaid** weeks (480 working hours) of Family and Medical Leave (FMLA) in a 12 month period beginning with the first day of leave taken. FMLA is unpaid leave and may be taken for any of the following reasons:

Care for an employee’s child after birth or placement for adoption or foster care (see Maternity Leave);

Care for the employee's spouse, child, parent, stepparent, adoptive parent who has a serious health condition; or

For a serious health condition that makes the employee unable to perform the employee’s job.

Providing notification:

The employee will be required to provide advance leave notice and medical certification. (Leave may be denied if requirements are not met.)

The employee ordinarily must provide 30 days advance notice when the leave is “foreseeable.” If emergency conditions prevent such notice, the employee must notify company management as soon as possible. If not foreseeable, the paperwork must be completed within 15 calendar days of the employer’s request of the employee for the certification.

The employee will be required to provide medical certification to support a request for leave because of a serious health condition. A second or third opinion may be required (at the expense of the company). After leave for an employee’s own serious health condition the employee will be required to provide a medical release statement before returning to work. It is the policy of the company not to discharge or discriminate against any employee exercising their rights under FMLA.

Employees are not allowed to be gainfully employed whether working for another employer or self-employed without the company's permission or use the leave for another purpose other than the one stated in the request.

While on leave, an employee’s group health coverage will be maintained on the same basis as if they were actively working. The employee is responsible for payment of any elective insurance premium(s) during the approved leave of absence or FMLA. Employees should make arrangements with Human Resources and/or Payroll for the payment of insurance premiums during periods of extended absence.

Intermittent FMLA leave is permissible, subject to the outlined requirements, but only as long as management is reasonably notified. RFE reserves the right to transfer an employee on reduced or intermittent leave to an equivalently paid spot in the organization where FMLA leave is less disruptive to operations.

FMLA leave is renewable on an annual basis. Employees seeking a renewal are subject to the provision requiring 1,250 hours worked in the year preceding the request and continued employment for 12 months. An expiring benefit period will necessitate the need for submission of a renewal

application. Employees are responsible for obtaining paperwork and providing RFE with any pertinent documentation. Failure on the part of the employee to request FMLA leave renewal is their sole responsibility and benefits will cease until such time as the properly completed renewal is submitted and all conditions for renewal have been met.

You may obtain additional information about family and medical leaves from the Human Resources Department. Requests must be submitted to Human Resources in writing for all Family and Medical Leave benefits.

Fitness for Duty certification must be supplied before the employee will be allowed to return to work.

Family and Medical Leave for Military Personnel

Families of service personnel, who due to injury or illness sustained in the course of active duty, will be granted up to 26 weeks of FMLA to care for the affected relative.

An employee is also entitled to take leave for a qualifying urgent occurrence arising out of the fact that a spouse, son, daughter or parent of the employee is on active duty or has been notified of an impending call to active duty in support of a military operation in which armed forces are or may become involved in actions against an enemy or opposing force, or during a war or national emergency.

While on leave, an employee's group health coverage will be maintained on the same basis as if they were actively working. The employee is responsible for payment of any elective insurance premium(s) during the approved leave of absence or FMLA. Employees should make arrangements with Human Resources and/or Payroll for the payment of insurance premiums during periods of extended absence.

The affected employee must meet the regular requirements for FMLA eligibility.

Funeral Leave

In the event of a death in the immediate family of an employee the employee may take three paid working days following the death without points. The term “immediate family” is to include the employee’s parents, spouse, child, sibling, stepparent, stepchildren, grandchildren or grandparents. Funeral leave does not extend to great grandparents.

In the event of a death of a non-immediate family member the employee may take three days for the death with no pay and no points. Non immediate family members include mother or father-in-law, brother or sister-in-law, son or daughter-in-law and grandparent-in-law.

Our Attendance Policy will govern time off for the death of other non specified family members or anyone else.

Funeral leave days must be taken within a five (5) working day period immediately following the death. Days considered eligible for leave will be the day of the death, the days leading up to and including the day of the funeral and the day after the funeral. If an RFE recognized holiday falls within the three (3) day paid funeral leave period it will be paid as part of the three (3) days.

Employees that are still in their probationary period may take the appropriate amount of time with no points and without pay for immediate and non immediate family members.

All employees taking funeral leave will be asked to provide RFE with information on the arrangements.

Leave of Absence

All employees applying for a leave of absence must have completed a ninety (90 day) continuous period of employment. The Human Resources Department must approve all leaves before they can be granted. Each leave will be reevaluated at the 60, 120 and 180 day mark. Additional information may be required from the employee to assist the company in determining continuation of the leave from the aspect of business needs. If an employee’s

position is so unique that the employer cannot, after reasonable effort, fill that position temporarily the employee will be notified at the time the leave begins. If economically feasible the employee will be offered a similar position within the company upon their return from leave. Most employees will be restored to their original or equivalent positions with equal pay, benefits and other terms of employment upon release to return to full work duties.

While on leave, an employee's group health coverage will be maintained on the same basis as if they were actively working. Any person that has insurance and is laid off or on any type of leave must maintain the employee payments for elective coverage either bi-weekly or monthly. Failure to make payments may result in past due premiums being deducted from bonus, vacation or final pay. If an employee anticipates a LOA, the employee may make additional voluntary deductions to pre-pay insurance. Employees should make arrangements with Human Resources and/or Payroll for the payment of insurance premiums during periods of extended absence.

In order to apply for a leave of absence the employee must submit, in writing, a request for the leave explaining the type of leave, the dates requested and any other pertinent information. Requests for medical or personal leave must be for more than 5 full, continuous work days. The request should be submitted to the Human Resources Director for review on leave request forms and medical certification forms that are available in the Human Resources Department.

Requests for leave of absence will be evaluated on an individual basis. The employee will receive notification of whether or not the leave can be granted as soon as a determination has been made. Leave must be taken in consecutive, full days with no partial days or partial return to work allowed. If an employee fails to return to work within 3 days after the expiration of a leave as outlined in the original leave paperwork (and does not apply for an extension), uses the leave for a purpose other than the one stated in the request, or accepts other employment or is gainfully employed whether working for another employer or self-employed without the company's permission, the employee shall be terminated.

A medical release will be required before an employee will be permitted to return to work in the event of a medically related absence.

Employees that are on FMLA , approved medical leave, personal leave, maternity leave or military duty leave will continue to accrue seniority and will maintain hours towards perfect attendance that had been accumulated prior to beginning the leave period.

Maternity Leave

Under Tennessee state law any employee who has been employed by our company for at least twelve (12) months as a full time employee is entitled to up to four months of maternity leave for pregnancy, childbirth and nursing or adoption of an infant. If the employee gives at least three (3) months advance notice of their anticipated date of departure for maternity leave, as well as, their intention to return to full-time employment after maternity leave, they will be restored to their previous position or to a similar position with the same status, pay, length of service credit and seniority they enjoyed on the date of the leave. An employee who cannot give a three (3) month notice because of a medical emergency does not forfeit their rights and benefits under the Tennessee Maternity Leave Act. An employee must provide a statement from the treating medical provider stating any restrictions or limitations due to pregnancy within the first three (3) months of pregnancy. A medical release form is required before the employee will be permitted to return to work.

While on leave, an employee's group health coverage will be maintained on the same basis as if they were actively working. The employee is responsible for payment of any elective insurance premium(s) each month during the approved leave of absence. Employees should make arrangements with Human Resources and/or Payroll for the payment of insurance premiums during periods of extended absence.

Medical Leave of Absence

At its sole discretion the Company may provide after 3 months of

employment an extended unpaid medical leave for up to six (6) additional months for an employee who is absent because of illness or injury either for themselves, their spouse or dependent children where the employee has exhausted his or her FMLA rights, as well as all vacation and sick leave. Employees must apply for this leave with the Human Resources Department. Application must be made in writing not less than two (2) weeks before the beginning of the period for which additional leave is requested. If it becomes apparent that additional leave time will be required before return to work is possible, the employee should submit such application not less than two (2) weeks before the end of the leave or FMLA period. Eligibility requirements for this leave are the same as for FMLA. Medical leaves are limited to one (1) leave per year starting July 1 and ending on June 30 of the following year.

To be eligible for extended leave the employee must provide certification from a treating physician that such leave is medically necessary. The employee must also state the date upon which they expect to be able to return to work. All requests for extended medical leave will be taken under consideration by the Company's management. Extended medical leave is not guaranteed and depends upon numerous factors including, but not limited to, the employee's position and the length of leave requested. Medical leave must be taken in consecutive full days only. A medical release will be required before the employee will be permitted to return to work.

Unless required under state or federal law the Company cannot guarantee reinstatement will follow a medical leave of absence. Also, if an employee fails to report to work promptly at the expiration of the leave (within 3 business days) and does not otherwise contact the Company prior to the end of the leave the Company will assume that the individual has voluntarily resigned from his or her employment.

While on leave, an employee's group health coverage will be maintained on the same basis as if they were actively working. The employee is responsible for payment of any elective insurance premium(s) during the approved leave of absence or FMLA. Employees should make arrangements with Human Resources and/or Payroll for the payment of insurance premiums during

periods of extended absence.

If you feel that you will need extended unpaid medical leave or other accommodations such as extended leave or flexible work schedule or duties, as a result of a serious health condition, please contact the Human Resources Department.

Military Leave

Active reservists or members of the National Guard who are required to attend training sessions or are called into emergency duty shall be granted a leave of absence. The employee should submit a request for leave along with the starting and ending leave dates to the Human Resources Director. The employee shall provide the request to the Company as soon as he/she has knowledge of the need for leave. This leave will be without pay.

While on leave, an employee's group health coverage will be maintained on the same basis as if they were actively working. The employee is responsible for payment of any elective insurance premium(s) each month during the approved leave of absence. Employees should make arrangements with Human Resources and/or Payroll for the payment of insurance premiums during periods of extended absence.

Personal Leave

RFE recognizes that there may be situations where an employee must be absent from work for compelling personal business reasons. If the amount of leave time needed cannot be accommodated through other time off options that are offered by the Company the employee may request an unpaid personal leave of absence. Personal leaves of absence are available only to those employees who have completed their ninety (90) day provisional employment period. Employees should coordinate requests for personal leave with the Human Resources Department and their manager at least thirty (30) days in advance of foreseeable events. Requests shall be in writing and will set forth the purpose of the leave, the dates requested and any other related information. The employee's manager and the Human Resources

Department will review the request. When the need for leave is unforeseeable the request for leave should be submitted to Human Resources no later than two (2) business days after the employee's absence begins.

The Company has sole discretion in deciding whether requests for personal leave will be granted and the length of the permitted leave. Requests for personal leave will be evaluated based on a number of factors including but not limited to the employee's position, the length of leave requested, anticipated workload requirements and staffing considerations during the proposed period of absence. Personal LOA may only be taken for a minimum of five (5) full work days and a maximum of two (2) work weeks. An employee is allowed no more than two (2) personal leaves in a one (1) year period starting on July 1 and ending on June 30 of the following year. Group insurance coverage will be maintained on behalf of the employee during the period of leave. The employee is responsible for payment of their portion of the premium during the Personal Leave period. The employee must make arrangements with H/R or Payroll to make premium payments.

While on leave the employee shall continue to accrue seniority but will not maintain any hours towards yearly attendance time that had been accumulated prior to beginning the leave period. When personal leave ends every reasonable effort will be made to return the employee to the same position, if it is available, or to a similar available position for which the employee is qualified. Unless required by federal or state law, however, the Company cannot guarantee reinstatement in all cases.

If an employee fails to return to work promptly at the expiration of the approved leave, or accepts other employment during the leave period, RFE will assume that the individual has voluntarily resigned. If the leave is for a medical reason the employee will be required to provide a medical release before being permitted to return to work.

SAFETY AND HEALTH

General Safety

Always be safety minded because a safe and healthy workplace should be the concern of everyone at Reading for Education. The majority of workplace accidents occur due to carelessness and could have been avoided. Please stay alert and observe **all** posted safety related work rules. Your individual department may have specific safety training requirements.

Drugs and Alcohol

In order to insure the safety, health and productivity of our employees we administer both pre-employment and random employee drug screens. All new employees are required to go through a drug screen with their employment being contingent upon the passing of the screen. All employees are subject to random drug screens that are conducted periodically or when questionable behavior merits. In the event that there is a questionable result during the random screening process the employee will be asked to clock out, leave the premises and remain away from work until an independent laboratory has conducted tests to determine the final outcome of the screening. When a final determination has been reached the employee will either return to work or additional disciplinary actions may be necessary including and up to termination.

Consuming or possessing illegal drugs, marijuana, drug paraphernalia or alcohol on company property will result in immediate termination. Reporting to work under the influence of illegal drugs, marijuana or alcohol will also result in immediate termination.

Fire and Severe Weather Safety

The safety of all employees, in the event of a potential disaster, is a priority for the Company. Periodically, RFE will conduct drills that will acquaint employees with proper workplace procedures in the event of disasters such as a fire or severe weather. In the event of a drill, or an actual emergency, a

distinctive alarm will sound throughout the building. At that time, you should stop what you are doing **immediately** and follow safety procedures.

Fire

In the event of a fire or a fire drill, you should evacuate the building through the nearest, designated fire exit. Please check the diagram in this handbook and the diagrams conspicuously posted in your department and throughout the building to determine the approved fire exit doors. Do not take time to gather personal items. If you are not at your regular assigned workstation, **do not** return to that area before evacuating the building. Proceed with other employees away from the building to the designated meet sites where a manager will verify your presence. Never re-enter the building until the all clear signal has been given by management.

Inclement weather

Inclement weather drills are also conducted and procedures learned during these drills should be used in the event of an actual weather related emergency. Diagrams of safe zones are included in this handbook and conspicuously posted in your department and throughout the building. Please be sure to familiarize yourself with safe zones. During a tornado drill, or if there is imminent danger of severe weather, a distinctive alarm will sound. Stop what you are doing and proceed **immediately** to a designated safe zone. Do not take time to gather personal items. Remain in your designated safe zone area until you are given the all clear signal by a company official.

See pages 47 and 48 for inclement weather **safe zones** and fire safety evacuation maps.

General Safety Rules:

1. Report all accidents or injuries, however minor, immediately to your manager.

2. Running on company premises, except in the event of an emergency, is prohibited.

3. Only authorized equipment may be used in specific operations. Never attempt to use defective machinery. Follow all safety procedures when using equipment. Never use equipment that you are not authorized to operate or on which you do not have proper training or instruction.

4. Smoking is prohibited anywhere inside the building or on company property.

5. Tampering with or unauthorized use of any machinery or equipment is prohibited.

6. All emergency equipment such as fire extinguishers, AED's, fire alarms and exit doors must be kept clear of obstacles at all times.

7. Know the location of emergency exits and safe zones.

8. If, as part of your job, you are required to wear protective gear, it must be worn at all times, in accordance with safety specifications. Check with your manager if you need information concerning the proper use of protective gear.

9. A clean workplace is a safe workplace. Keep your work area clean and clear of hazards by adopting a "pick up as you go" method of housekeeping.

10. It is the duty of each employee, when going on or off duty, to carefully examine buildings, apparatus and equipment in their charge to make sure that everything is in good order. Any needed repairs or other required attention should be reported promptly to your supervisor.

11. Each employee is expected to be responsible for their own safety and at the same time to exercise care in avoidance of injury to your fellow workers and others.

12. Horseplay and practical jokes are forbidden.

13. Be sure all equipment and tools are maintained in a state of good repair.

14. Forklift trucks and other material handling equipment are built to accommodate only one person and are to be operated by a certified operator. No one other than the certified operator with a company approved certificate of operator status should ride on or operate the forklift or material handling equipment at any time.

Remember that safety rules are for your own protection. Your adherence to

them is your responsibility. Any individual who violates established safety rules will be subject to disciplinary action commensurate with the severity of the offense up to and including discharge.

Violations of safety policies will result in a verbal warning followed by a written warning worth one (1) point each.

First offense - verbal warning

Second offense - written warning

Third offense - two day unpaid suspension

Fourth offense - termination

Offenses will stay on the employee's record for twelve months. This progression of disciplinary action is for any safety violation. It does not have to be a repeat of the same violation in order to escalate.

Housekeeping

All employees are responsible for maintaining an orderly, sanitary and safe work area. Each employee is responsible for cleaning up after themselves at their workstation, break room, restrooms and other common areas including the exterior of the building and parking lot.

Infectious Disease Policy

Any place where people are in close contact poses a potential risk of transmission of an infectious disease. Employees should pay careful attention to hand hygiene and cough/sneeze etiquette. Employees who may have an infection that could be transmitted to others should keep a reasonable distance from others to avoid spreading the infection. Due to the contagious nature of certain infectious diseases it is very important for employees to monitor their health status as changes could affect not only themselves but also other employees.

If an employee has an infectious disease that could result in a significant risk of substantial harm to the health of the employee or others that employee

should contact Human Resources. The employee is not required to disclose and will not be asked to disclose the nature of any related illness or disability. Human Resources will evaluate whether any accommodation, if necessary, is required, and should be made to enable the employee to continue working. The company will make this assessment based on reasonable medical judgment that relies on the most current medical knowledge and/or the best available objective evidence. The company will consider the duration of the risk, nature and severity of the potential harm along with the likelihood that potential harm will occur and the imminent nature of the potential harm.

In the event of an outbreak of an infectious disease in the workplace, actions may be taken by the company to prevent the transmission of the disease. The company cannot, however, guarantee that an infectious disease will not be transmitted and employees remain responsible for monitoring their personal health status. The company may modify its leave policies to allow additional leave for employees affected by an infectious disease. The company may also modify the frequency and type of face-to-face contact where practicable (e.g., seating in meetings, office layouts, shared workstations, teleconferences in lieu of in-person meetings) and may further modify work schedules and restricting certain business travel is at the discretion of the executive committee.

This policy is advisory in nature and is not intended to limit the ability of the company to take such action, as it deems appropriate, under the circumstances consistent with the requirements of applicable law.

Personal Safety

Reading for Education tries to maintain a safe work place for its employees and part of that includes a personal safety system. Entrance doors to RFE are inaccessible without a valid employee badge. Other admission to the building is only through the reception area after a visitor has stated the purpose of their business with the company. Vendors/Visitors are required to sign in and they are given an identifying badge which they must wear in a visible place on their person. This badge and lanyard sets authorized visitors

apart from employees. Vendors/Visitors are not permitted to be in the building unattended and it is the responsibility of their host to be sure they are escorted. A Code Red/Code Blue alert will be called in the event there is either an unwelcome visitor in the building or occurrences inside or outside the building dictate. Responders will report to assist in the designated area and the proper authorities will be contacted to help bring the situation under control. If an employee is aware of a potentially volatile situation they should contact their manager and Human Resources as soon as possible.

Safety Reporting Steps

RFE has an active Safety Committee whose names you will find posted on the bulletin boards throughout the building. The Safety Committee works diligently to try to insure that all hazards and potential hazards are dealt with in a timely manner. If you see a safety violation, hazard or suspect a violation or hazard you should report it to your Manager or Human Resources immediately. The matter will then be turned over to the Safety Committee for their investigation and institution of any corrective actions that may be needed.

Smoking and Tobacco Policy

This is a smoke free property. Smoking is prohibited everywhere on company property. Smoking materials include any device whether tobacco based or not including e cigarettes and any or all vapor based smoking devices. Also included is the prohibition of smokeless tobacco products. All smoking materials must be extinguished before entering the property and smoking in your car while on company property is also prohibited. Violation of the non-smoking policy will result in disciplinary action. Employees, in the interest of being good corporate neighbors and for safety's sake, should not smoke in the parking lots of businesses along Armory Drive, Go USA Drive or park along the roadside to smoke.

Visitors

All visitors and non-active employees, whether separated from employment or in a period of leave or lay off, must enter the building through the main lobby. While visiting with active employees visitors are to remain in the lobby. Visitors/vendors who are calling on RFE for business purposes must be accompanied by an active RFE employee while in the building.

Weapons

Weapons of any variety are forbidden on RFE property or at RFE sponsored activities. Weapons include, but are not limited to, guns of any type whether the carrier has a government issued permit to carry or not, any sharpened object intended for use as a weapon (knives, swords), incendiary devices, explosives, brass knuckles, black jacks, Tasers, and any other materials or objects that have, as their main purpose, the intent of inflicting bodily harm or intimidation on another person or property. Employees that are found to be in possession of any of the above-mentioned items or any other item where the circumstance suggests that the item might be used as a weapon will be subject to disciplinary action up to and including immediate discharge.

Workplace Violence

RFE does not tolerate violence in the workplace in any form. Threatening or intimidating behavior that distracts from, interferes with or prevents normal work functions or activities at any RFE facility or function is prohibited. Prohibited conduct also includes actions that stop short of actual contact/injury (e.g. moving closer aggressively), express or implied oral or written threats to a person or their property or actual physical assault or battery, with or without a weapon including throwing things, destroying property, or any other act of intimidation. Employees are encouraged to report any acts of workplace violence or threatening behavior to their Manager or Human Resources so that an investigation can be conducted and appropriate action may be taken.

ACKNOWLEDGMENT AND RECEIPT OF EMPLOYEE HANDBOOK

I acknowledge receipt of the RFE employee handbook. I further acknowledge that I have read and understand its contents. I also understand that the policies and procedures set forth in this handbook should not be construed as express or implied contractual guarantees regarding my employment relationship with this company.

I understand and agree that my employment will be an employment-at-will relationship where my employment is for no definite duration and may be terminated at any time by either party with or without cause and with or without notice.

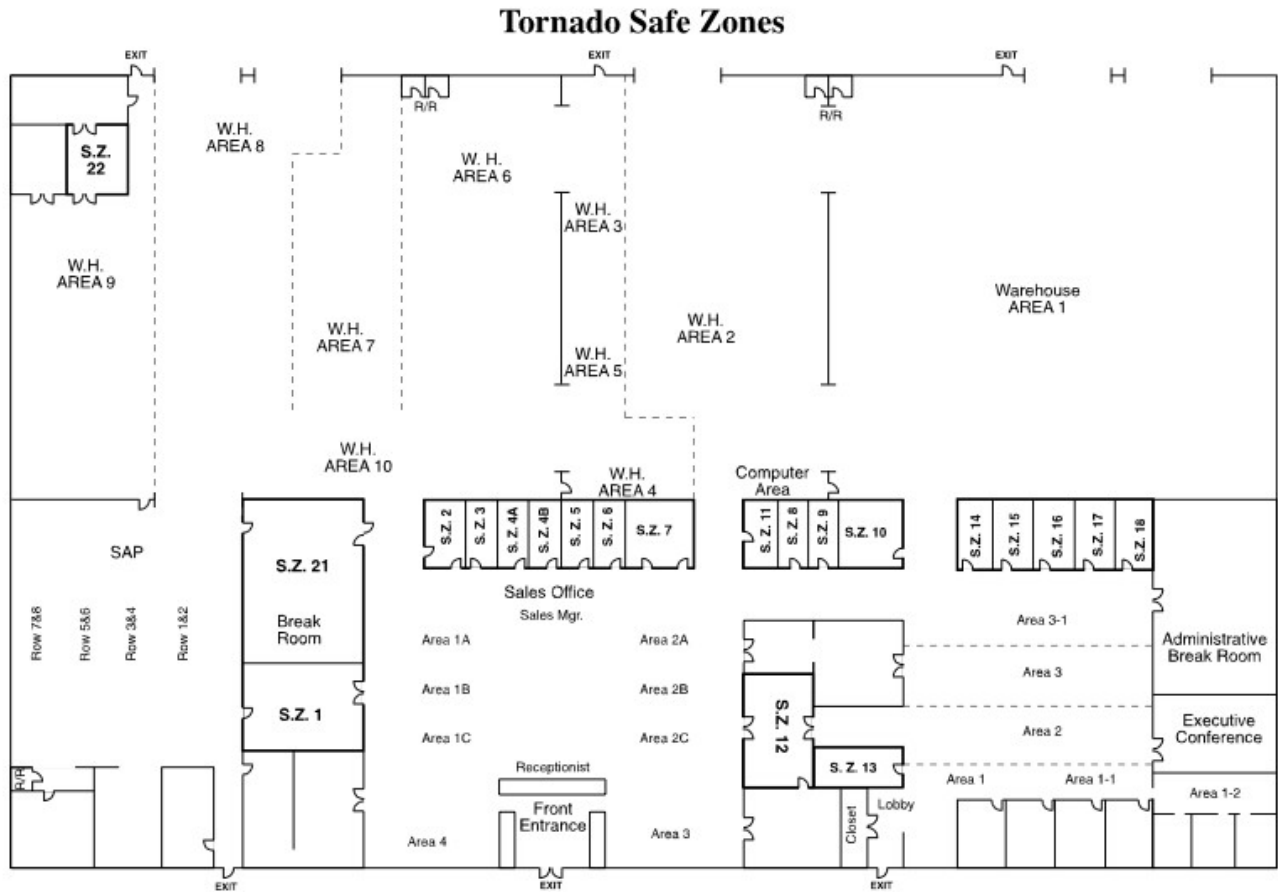
EMPLOYEE SIGNATURE: _____

PRINT NAME: _____

DATE: _____

WITNESS: _____

Tornado Safe Zones



Fire Exits

