These Policies & Procedures pertain to all YEI employees. Those employees represented by a bargaining agreement should refer to their respective bargaining agreement. All provisions will adhere to Federal, State, and Local Law. Should a conflict arise between these policies and the appropriate governing law, the controlling law will prevail.
### TABLE OF CONTENTS

**HR-0001 – INTRODUCTION** ........................................................................................................ 1

**HR-0002 – STANDARDS OF CONDUCT** .................................................................................... 3

1.0 Standards of Conduct ............................................................................................................. 3
1.1 Employment-At-Will .............................................................................................................. 3
1.2 Philosophy of Yang Enterprises, Inc. ..................................................................................... 3
1.3 Equal Opportunity and Affirmative Action ........................................................................... 4

**HR-0003 – CONFLICT OF INTEREST** ................................................................................... 7

1.0 Conflict of Interest ................................................................................................................ 7
1.1 Borrowing From Customers or Suppliers ............................................................................ 7
1.2 Self Dealing .......................................................................................................................... 7
1.3 Outside Employment ............................................................................................................ 7
1.4 Personal Investments ........................................................................................................... 8
1.5 Confidential Information ...................................................................................................... 8
1.6 Acceptance of Gifts and Entertainment .............................................................................. 8
1.7 Family, Friends of Officers ................................................................................................ 9

**HR-0004 – HARASSMENT** .................................................................................................. 11

1.0 Harassment ........................................................................................................................ 11
1.1 Prohibited Conduct ............................................................................................................. 11
1.2 Reporting Harassment ........................................................................................................ 12
1.3 Personal Relationships ....................................................................................................... 12

**HR-0005 – DRUG/ALCOHOL FREE WORKPLACE** ................................................................. 15

1.0 Drug/Alcohol Free Workplace .............................................................................................. 15
1.1 Prohibited Conduct ............................................................................................................. 15
2.0 Alcohol and Illegal/Legal Drug Abuse Testing Requirements ............................................ 15
2.1 Pre/Post Employment Offer Testing .................................................................................. 15
2.2 Reinstated or Recalled Employee Testing ......................................................................... 16
2.3 Reasonable Suspicion/ Cause Testing ................................................................................ 16
2.4 Return from Medical Leave for Chemical Dependency .................................................... 16
2.5 Random Testing of Employees with Identified Chemical Dependency Problems ............ 16
3.0 Testing Employee Vehicle Operators ................................................................................ 16
3.1 Post Accident Testing ........................................................................................................ 16
4.0 Random Testing of all Employees ....................................................................................... 17
1.2 Selection .................................................................................................................. 29
1.3 Geographic Area .................................................................................................... 29
1.4 Former Employees ................................................................................................. 29
1.5 Request for Additional Personnel ........................................................................ 29
1.6 Acceptance of Applications .................................................................................... 29
1.7 Application Reference ............................................................................................ 30
2.0 Filling Employment Openings ................................................................................ 30
2.1 Categories of Employment ....................................................................................... 30
2.2 Transfers ................................................................................................................... 30
2.3 Reinstatements ........................................................................................................ 31
HR-0011 – VEHICLE ACCIDENT PREVENTION .................................................. 33
  1.0 Vehicle Accident Prevention .................................................................................. 33
    1.1 Accident Investigation .......................................................................................... 33
    1.2 Post Accident Drug Testing ................................................................................ 33
    1.3 Exception from Post Accident Drug Testing ...................................................... 33
    1.4 Disciplinary Steps ............................................................................................... 33
HR-0012 – PROBATIONARY PERIOD ..................................................................... 35
  1.0 Probationary Period ............................................................................................... 35
    1.1 Orientation and Training .................................................................................... 35
HR-0013 – REPORTING, SCHEDULING, AND RECORDING TIME ................. 37
  1.0 Hours of Employment ........................................................................................... 37
    1.1 Pay Periods .......................................................................................................... 37
    1.2 Overtime for Non-Exempt Employees ................................................................. 38
    1.3 Exempt Employees ............................................................................................. 38
    1.4 Payday .................................................................................................................. 38
    1.5 Timecards ........................................................................................................... 38
    1.6 Attendance .......................................................................................................... 39
    1.7 Absences from Work ........................................................................................... 39
  2.0 Facility Closing ....................................................................................................... 40
HR-0014 – SICK LEAVE .......................................................................................... 41
HR-0015 – ANNUAL LEAVE/PAID TIME OFF (PTO) ........................................ 43
  1.0 Annual Leave (Vacation) ...................................................................................... 43
    1.1 Rate of Earning .................................................................................................... 43
    1.2 Recordkeeping ..................................................................................................... 44
<table>
<thead>
<tr>
<th>HR-0016 – HOLIDAYS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0 Holidays</td>
<td>45</td>
</tr>
<tr>
<td>1.1 Service Contract Act (SCA) Holidays</td>
<td>45</td>
</tr>
<tr>
<td>1.2 Holiday on Scheduled Work Day</td>
<td>45</td>
</tr>
<tr>
<td>1.3 Holiday on Leave Day</td>
<td>46</td>
</tr>
<tr>
<td>1.4 Customer Holidays</td>
<td>46</td>
</tr>
<tr>
<td>1.5 Record Keeping</td>
<td>46</td>
</tr>
<tr>
<td>HR-0017 – FAMILY AND MEDICAL LEAVE</td>
<td></td>
</tr>
<tr>
<td>1.0 Family and Medical Leave</td>
<td>47</td>
</tr>
<tr>
<td>1.1 Policy</td>
<td>47</td>
</tr>
<tr>
<td>1.2 Reasons for Family/Medical Leave</td>
<td>47</td>
</tr>
<tr>
<td>1.3 Notice of Leave</td>
<td>47</td>
</tr>
<tr>
<td>1.4 Medical Certification</td>
<td>47</td>
</tr>
<tr>
<td>1.5 Eligibility</td>
<td>48</td>
</tr>
<tr>
<td>1.6 Leave is Unpaid</td>
<td>48</td>
</tr>
<tr>
<td>1.7 Medical and Other Benefits</td>
<td>48</td>
</tr>
<tr>
<td>1.8 Intermittent and Reduced Schedule Leave</td>
<td>48</td>
</tr>
<tr>
<td>1.9 Extended Leave for Serious Health Condition</td>
<td>48</td>
</tr>
<tr>
<td>HR-0018 – JURY DUTY</td>
<td></td>
</tr>
<tr>
<td>1.0 Jury Duty</td>
<td>49</td>
</tr>
<tr>
<td>HR-0019 – MILITARY LEAVE OF ABSENCE</td>
<td></td>
</tr>
<tr>
<td>1.0 Military Leave of Absence</td>
<td>51</td>
</tr>
<tr>
<td>HR-0020 – LEAVE WITHOUT PAY</td>
<td></td>
</tr>
<tr>
<td>1.0 Leave Without Pay</td>
<td>53</td>
</tr>
<tr>
<td>HR-0021 – EDUCATIONAL ASSISTANCE</td>
<td></td>
</tr>
<tr>
<td>1.0 Educational Assistance</td>
<td>55</td>
</tr>
<tr>
<td>HR-0022 – PROFESSIONAL DEVELOPMENT THROUGH MEETINGS/SEMINAR ATTENDANCE</td>
<td></td>
</tr>
<tr>
<td>1.0 Professional Development through Meeting/Seminar Attendance</td>
<td>57</td>
</tr>
<tr>
<td>HR-0023 – INSURANCE</td>
<td></td>
</tr>
<tr>
<td>1.0 Insurance</td>
<td>59</td>
</tr>
<tr>
<td>1.1 Health Care for You and Your Family</td>
<td>59</td>
</tr>
<tr>
<td>1.2 Dental Care for You and Your Family</td>
<td>59</td>
</tr>
<tr>
<td>1.3 Family Protection Life Insurance</td>
<td>59</td>
</tr>
<tr>
<td>Section</td>
<td>Title</td>
</tr>
<tr>
<td>---------</td>
<td>-------</td>
</tr>
<tr>
<td>1.5</td>
<td>Reduction in Work Force (Layoff)</td>
</tr>
<tr>
<td>1.6</td>
<td>Separation Procedures</td>
</tr>
<tr>
<td>1.7</td>
<td>Final Paycheck</td>
</tr>
<tr>
<td>HR-0031</td>
<td>SUBSTANCE ABUSE / DRUG TESTING</td>
</tr>
<tr>
<td>1.0</td>
<td>Substance Abuse / Drug Testing</td>
</tr>
<tr>
<td>1.1</td>
<td>Drug Testing</td>
</tr>
<tr>
<td>2.0</td>
<td>Controlled Substances</td>
</tr>
<tr>
<td>3.0</td>
<td>Reasonable Suspicion/Cause Testing Requirements</td>
</tr>
<tr>
<td>4.0</td>
<td>Medical Treatment</td>
</tr>
<tr>
<td>5.0</td>
<td>Responsibility</td>
</tr>
<tr>
<td>HR-0032</td>
<td>DISCIPLINARY ACTION</td>
</tr>
<tr>
<td>1.0</td>
<td>Disciplinary Action</td>
</tr>
<tr>
<td>1.1</td>
<td>Procedure</td>
</tr>
<tr>
<td>1.2</td>
<td>Unacceptable Conduct</td>
</tr>
<tr>
<td>1.2.1</td>
<td>Acts of Discrimination or Sexual Harassment</td>
</tr>
<tr>
<td>1.2.2</td>
<td>Regulations</td>
</tr>
<tr>
<td>1.2.3</td>
<td>Misuse of Government or Company Property and Funds</td>
</tr>
<tr>
<td>1.2.4</td>
<td>Conduct that Warrants Immediate Discharge</td>
</tr>
<tr>
<td>HR-0033</td>
<td>EXIT INTERVIEWS</td>
</tr>
<tr>
<td>1.0</td>
<td>Exit Interviews</td>
</tr>
<tr>
<td>1.1</td>
<td>Benefits</td>
</tr>
<tr>
<td>HR-0034</td>
<td>EMPLOYEE COMPLAINTS</td>
</tr>
<tr>
<td>1.0</td>
<td>Complaints</td>
</tr>
<tr>
<td>1.1</td>
<td>Procedure</td>
</tr>
<tr>
<td>HR-0035</td>
<td>PERSONNEL RECORDS AND REPORTS</td>
</tr>
<tr>
<td>1.0</td>
<td>Personnel Records and Reports</td>
</tr>
<tr>
<td>HR-0036</td>
<td>SECURITY</td>
</tr>
<tr>
<td>1.0</td>
<td>General</td>
</tr>
<tr>
<td>2.0</td>
<td>Facility Security Officer (FSO)</td>
</tr>
<tr>
<td>3.0</td>
<td>Corporate Facility Security</td>
</tr>
<tr>
<td>3.1</td>
<td>Personal Equipment</td>
</tr>
<tr>
<td>3.2</td>
<td>Visitor Access</td>
</tr>
<tr>
<td>4.0</td>
<td>Contract Location Security</td>
</tr>
<tr>
<td>HR-0037</td>
<td>CELL PHONE USE</td>
</tr>
</tbody>
</table>
2.0 Definition .................................................................................................................. 109
3.0 Procedures ................................................................................................................ 109
Dear Employee:

The main purpose of this Policies & Procedures Manual is to provide a reference guide for Yang Enterprises, Inc.’s employees. This manual will acquaint you with a brief history of the Company as well as our various benefits and programs. Periodically, you will receive additions and updates to keep you abreast of any changes that may occur.

We are proud of our employees and consider them to be our major asset; therefore, we strive to create a healthy and pleasant working environment for everyone. Our future growth depends on our employees’ hard work, dedication, and the ability to communicate effectively.

We extend to you our "Open Door Policy" as a means of maintaining a constant flow of day-to-day communication.

Sincerely,

Li-Woan Yang
President/CEO
Yang Enterprises, Inc.
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CONTRACT DISCLAIMER

THE POLICIES CONTAINED IN THIS MANUAL ARE NOT INTENDED TO CREATE ANY CONTRACTUAL RIGHTS BETWEEN ANY EMPLOYEE AND THE COMPANY. THE COMPANY RESERVES THE RIGHT TO CHANGE THE TERMS OF ANY POLICY AT ANY TIME WITHOUT NOTICE.
This page has been intentionally left blank.
This manual contains personnel policies and procedures to be followed by all employees. It serves as a permanent reference and working guide for supervisory and management personnel in the day-to-day administration of our personnel policies.

This manual should increase understanding, eliminate the need for personal decisions on matters of company-wide policy, and help to assure uniformity throughout our organization. It is the responsibility of each and every member of management to administer these policies in a consistent and impartial manner. It is essential that employees understand our policies if they are to be expected to follow them.

Procedures and practices in the field of personnel relations are subject to modifications and further development. Therefore, it may be necessary to modify this manual periodically. All such changes will be recorded in the form of a policy or procedure statement and issued to holders of the manual. Policies and procedures will be effective as of the indicated effective date. Each manager and member of management can assist in keeping our personnel program up-to-date by notifying the Human Resources Department whenever problems are encountered, or when improvements can be made in the administration of our personnel policies. It is the responsibility of all managers and supervisors to insure that the manual is kept current, that policies are understood by all employees, and that they are interpreted and administered uniformly.

THIS DOCUMENT IS NOT AN EMPLOYMENT CONTRACT.
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1.0 Standards of Conduct

1.1 Employment-At-Will

   It is the policy of the Company that all employees who do not have a written employment contract with the Company for a specific, fixed term of employment are employed at the will of the Company for an indefinite period and are subject to termination at any time, for any reason, with or without cause or notice. At the same time, such employees may terminate their employment at any time and for any reason.

   a. Only the President may modify this policy for any employee or to enter into any agreement, oral or written, that is contrary to this policy. Supervisory and management personnel are not to make any representations to employees or applicants concerning the terms or conditions of employment with the Company which are not consistent with Company policies. No statements made in pre-hire interviews or discussions, or in recruiting materials of any kind, are to alter the at-will nature of employment or imply that discharge will occur only for cause.

   b. This policy may not be modified by any statements contained in this manual or any other employee handbooks, employment applications, Company recruiting materials, Company memoranda, or other materials provided to applicants and employees in connection with their employment. None of these documents, whether singly or combined, are to create an expressed or implied contract of employment for a definite period, nor an express or implied contract concerning any terms or conditions of employment. Similarly, Company policies and practices with respect to any matter are not to be considered as creating any contractual obligation on the Company's part or as stating in any way that termination will occur only for "just cause." Statements of specific grounds for termination set forth in this manual or in any other Company documents are examples only, not all-inclusive lists, and are not intended to restrict the Company's right to terminate at-will.

   c. Completion of an introductory or probationary period or conferral of regular status does not change an employee's status as an employee-at-will.

1.2 Philosophy of Yang Enterprises, Inc.

   It is the philosophy of the Company to establish and administer a system of personnel management consistent with the goal of providing superior service to our customers. This is accomplished by employing and retaining individuals of the highest caliber who display pride in the performance of their duties.

   The Company advocates the concept that the quality of service can attain maximum efficiency and effectiveness through a personnel management system based on merit principles.

   Employees are encouraged to develop skills and seek formal training that will enhance their personal development and add to their overall expertise within the organization.
It is the policy of the Company to expect from its employees compliance with all policies, rules and regulations, and any applicable federal, state, or local law in the performance of their duties.

1.3 Equal Opportunity and Affirmative Action

It is the policy of the Company to provide equal employment opportunity for all applicants and employees. The Company does not unlawfully discriminate on the basis of race, color, creed, pregnancy, religion, sex, national origin, age, disability, veteran status, or marital status or any other factor prohibited by law. The Company also makes reasonable accommodations for disabled employees. Finally, the Company prohibits the harassment of any individual on any basis that is listed above. This policy applies to all areas of employment, including, but not limited to, recruitment, hiring, training, promotion, compensation, benefits, transfer, and social and recreational programs.

For purposes of this policy, impermissible harassment includes verbal, physical, and visual harassment; solicitation of sexual favors; unwelcome sexual advances; and creating or maintaining an intimidating or hostile work environment. Any employee who violates this policy is subject to discipline up to and including discharge. In addition, the Company will not tolerate retaliation against any employee for making a complaint to the Human Resources Manager, or to any other member of management or a supervisor.

Any incident of discrimination or harassment, including work-related harassment by Company personnel or any other person, shall be reported to the employee’s supervisor, any other management person or supervisor of the Company, or the Human Resources Manager, who will investigate the matter. In the case of Company employees, if harassment is established, the offender will be disciplined, up to and including discharge.

It is the responsibility of every manager and employee to conscientiously follow this policy.

As a government contractor, the Company has adopted an Affirmative Action Plan and is committed to making a good-faith effort towards achieving the objectives of the Plan. The Company has appointed the Human Resources Manager to serve as the Company’s Equal Opportunity Officer.

If an employee has any questions regarding this policy, they can be discussed with the Human Resources Manager and the employee’s supervisor.

Managers shall ensure that all other personnel actions such as those involving compensation, benefits, company-sponsored training, tuition assistance, transfers, demotions, terminations, layoffs and recalls, and social recreation programs shall be administered so as not to discriminate against individuals with disabilities.

Where a disabled individual makes known his or her disability, the employer by its managers shall provide reasonable accommodations to the extent required by law to enable such employees to perform the essential functions of their jobs and to enjoy the same benefits and privileges of employment as are enjoyed by employees without disabilities.

The Human Resources Manager is responsible for the administration of YEI’s Equal Employment Opportunity Program. This official will coordinate the efforts of all managers and advise and assist top management. The Human Resources department shall regularly report to the officers of the Company concerning the progress, with recommendations where appropriate.
It is the policy of Yang Enterprises, Inc. that none of its facilities will be segregated, and the same policy will be observed with respect to any employee programs or activities that are sponsored or supported by the Company.

If any employee has a suggestion, problem, or complaint with regard to equal employment, he/she should contact the Human Resources Manager.
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1.0 Conflict of Interest

It is the policy of Yang Enterprises, Inc. and its affiliates that no officer, department head or employee shall hold any outside position or interest which conflicts with the performance of his/her duties at Yang Enterprises, Inc. or the exercise of independent judgment in any capacity. The term of conflict of interest includes any transactions between the Company and its customers or suppliers. Because the appearance of impartiality is also essential, any situation which might reasonably be construed as conflict of interest is also prohibited.

It is impractical to establish policies covering all situations in which a conflict of interest may arise. Consequently, the following examples are intended to serve two purposes.
  a. Describes situations which are specifically prohibited by the Conflict of Interest policy.
  b. Serves as a guide to understanding the Company's position in defining other potential conflict of interest situations.

1.1 Borrowing From Customers or Suppliers

Officers, department heads, and employees shall not borrow money from any customers or suppliers except those customers or suppliers whose primary business purpose is the lending of money in the ordinary course of business and then only on terms offered to others under similar circumstances without special concessions as to interest rate, terms, security and repayment.

1.2 Self Dealing

Officers, department heads, and employees shall not sell assets to or purchase assets from YEI and shall not personally extend credit to any customer of YEI. Officers, department heads, and employees shall not, without the prior written approval of the president, sell assets to or purchase assets from any customer or supplier of YEI or contract to provide or receive any service from any customer or supplier, other than transactions which are in the ordinary course of business of the supplier or customer.

1.3 Outside Employment

YEI employees will not engage in outside employment or provide consulting services that conflict with their responsibilities to YEI or with YEI projects, goals, objectives, clients and/or other interests. Approval of outside employment that does not conflict with YEI responsibilities should be obtained from the employee’s supervisor.

Outside employment by officers or department heads is not permitted without the prior written approval of the President. The decision shall be based on the effect of such employment on the officer's or department head's job performance and the possibility of conflict of interest resulting from such employment.

Failure to observe these policies may lead to disciplinary action or termination, depending on the circumstances.
1.4 Personal Investments

a. Subject to the exceptions discussed in paragraph b, officers, department heads, and employees shall not have any investment interest, whether direct or indirect, in any customer or supplier without complete prior disclosure to and approval by the President. "Investment interest" shall be interpreted broadly. It specifically includes securities, partnership interests, joint ventures, and other interests in which the officer or department head may reasonably be expected to receive direct or indirect personal benefit.

b. Officers, department heads, and employees may have investments in the securities of companies which are customers or suppliers of YEI if such securities are listed on an organized exchange or traded in the over-the-counter market subject, however, to the following restrictions:

1. Officers, department heads, and employees having an investment interest in a company shall not represent Yang as the primary contact officer with that company without the prior written approval of the President.
2. Officers, department heads, and employees shall not accept preferential treatment in the issuance of securities by a customer or supplier of YEI.
3. Officers, department heads, and employees shall not be permitted to acquire or receive from customers or supplier’s securities, which are restricted as to resale or distribution as defined in the Securities Act of 1933.
4. Officers and department heads whose investments in securities of customers or suppliers qualify as "controlling" interests within the meaning of the Securities Act of 1933 shall report such investments to the President.

1.5 Confidential Information

Confidential information and trade secrets with respect to YEI or YEI’s customers or suppliers acquired by officers, department heads, and employees are to be used solely for internal purposes and shall in no case whatsoever be used as a basis for personal investment by the officer, department head, or employee. No such confidential information shall be transmitted to any other person by the officer, department head, or employee except as required for the proper conduct of the business of YEI. Confidential information includes, but is not limited to: compensation data, customer lists, financial information, marketing, or marketing strategy information, new materials research, pending projects and proposals, and research and development strategies. The use of any "inside information", which is not available to the general public, for financial gain, is strictly prohibited.

1.6 Acceptance of Gifts and Entertainment

Subject to the exceptions set forth in subparagraphs a and b, officers and department heads shall not accept gifts, entertainment or other favors from existing or prospective customers or suppliers. This prohibition includes the purchase of goods or services not generally available to other buyers in the ordinary course of business.

a. Gifts of nominal value are acceptable provided such gifts are received on special occasions which are recognized as customary by accepted business practices. In no event shall an officer, department head, or employee accept any gift with a retail value in excess of $20.00.
b. Officers, department heads, and employees shall not accept any entertainment which might reasonably be determined to be inconsistent with the officer, department head, or employee’s standard of living or any entertainment which would not be within the officer, department head, or employee’s ability to reciprocate, whether on a personal basis or with a legitimate claim for reimbursement from YEI. Questions with respect to the acceptability of entertainment protocol shall be submitted, in advance, and in writing, for approval by the President.

1.7 Family, Friends of Officers

The Conflict of Interest policy shall apply to the immediate family, other relatives and close friends of the officer, department head, or employee, if it is reasonable to expect that the officer, department head, or employee will personally benefit, either directly or indirectly, from the activities of the family, relatives or friends. YEI recognizes that family members may be independently engaged in business activities which will involve contact with customers and suppliers of YEI. This Conflict of Interest policy is not meant to interfere with the professional practices of such family members. Officers, department heads, and employees, however, must constantly be aware of potential conflict of interest situations surrounding such activities.

Employees and members of their families should not accept from any outside organization, entity, or individual any payment of money, gifts of merchandise, loans, special discounts, commissions, excessive or extravagant entertainment (valued at more than $20), or other thing of value as a gratuity or as consideration for any action that could be construed as other than normal business practice.
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1.0 Harassment

It is the policy of YEI to prohibit sexual harassment in employment as well as harassment on the basis of sex, race, color, religion, age, national origin, disability, veteran status, marital status, or any other factor prohibited by law. All personnel must comply with this policy and will also attempt to protect employees from harassment by non-employees in the workplace.

Harassment includes verbal, physical, and visual conduct that creates an intimidating, offensive, or hostile working environment or that interferes with work performance. Some examples include racial slurs; ethnic jokes; posting of offensive statements, posters, or cartoons; or other similar conduct. Sexual harassment includes solicitation of sexual favors, unwelcome sexual advances, or other verbal, visual, or physical conduct of a sexual nature.

Any employee who believes that the actions or words of any YEI personnel or any other person constitutes harassment should promptly report the incident to the employee’s supervisor or manager (or to any other member of management), or to the Human Resources manager. All complaints of harassment will be investigated promptly in an impartial and confidential manner. In all cases, the employee will be advised of the findings and conclusions. In addition, YEI will not tolerate retaliation against any employee for making a complaint to the Human Resources Manager or to any other member of management or a supervisor.

In accordance with the guidelines of the Equal Employment Opportunity Commission, reports will be investigated, and appropriate corrective action will be taken. There will be no retaliation or other adverse action taken against the employee for the exercise of their right to report occurrences of harassment. Complaints and resulting investigations will be handled confidentially.

Any employee, supervisor, or manager found to have engaged in harassment of or retaliation against another employee will be subject to appropriate disciplinary action, up to and including termination.

1.1 Prohibited Conduct

Prohibited Conduct includes, but is not limited to, the following examples:

a. Physical assaults of a sexual nature such as:
   - Rape, sexual battery, molestation, or attempts to commit these assaults.
   - Intentional physical conduct which is sexual in nature, such as touching, pinching, patting, grabbing, brushing against another employee’s body, or poking another employee’s body.

b. Sexual advances, propositions, or other sexual comments such as:
   - Sexually-oriented gestures, noises, remarks, jokes, or comments about a person’s sexuality or sexual experience directed at or made in the presence of any employee.
• Preferential or promises of preferential treatment to an employee for submitting to sexual conduct, including soliciting or attempting to solicit any employee to engage in sexual activity for compensation or reward.

• Subjecting or threats of subjecting an employee to unwelcome sexual attention or conduct.

• Intentionally making performance of the employee’s job more difficult because of the employee’s gender.

c. Sexual or discriminatory displays or publications anywhere in a workplace such as:

• Displaying pictures, posters, calendars, graffiti, objects, promotional materials, reading materials, or other materials that are sexually suggestive, sexually demeaning, or pornographic, or bringing any such material to read, display, or view at work.

  **Note:** A picture will be presumed to be sexually suggestive if it depicts a person of either gender who is not fully clothed or in clothes that are not suited to or ordinarily accepted for the accomplishment of routine work and who is posed for the obvious purpose of displaying or drawing attention to private portions of his or her body.

• Reading or otherwise publicizing in the work environment materials that are in any way sexually revealing, sexually suggestive, sexually demeaning, or pornographic.

• Displaying signs or other materials purporting to segregate an employee by gender in any area of the workplace (other than rest rooms and similar semiprivate lockers/changing rooms).

d. Retaliation for harassment complaints such as:

• Discipline, changing work assignment of, providing inaccurate work information to, or refusing to cooperate or discuss work related matters with any employee because that employee has complained about or resisted any harassment or discrimination.

• Intentionally pressuring, falsely denying, lying about, or other covering up to cover up conduct such as that described in any item above.

1.2 Reporting Harassment

Employees should immediately report incidents of harassment. An employee who feels that he/she is being harassed by a co-worker, customer, or vendor should report the harassment to his/her supervisor or manager (or any other member of management), or to the Human Resources Manager. YEI emphasizes that employees are not required to first complain to their supervisor or manager if it is their supervisor or manager that is harassing them. Supervisors or managers who receive complaints or observe harassment must inform the Human Resources Manager immediately.

1.3 Personal Relationships

The Company recognizes that relationships with co-workers, customers, or vendors based on mutual consent are a private matter. However, such relationships between supervisors and subordinates are inappropriate and could result in a form of sexual harassment to third parties. Co-workers may claim that the relationship is having a negative influence on their careers and that they are not receiving the same favored treatment – whether perceived or real.
Whenever the Company’s business could be jeopardized by a personal relationship, the employee should inform management of the relationship. Management will then evaluate the situation and, if necessary, attempt to make changes to alter the work relationship.
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1.0 Drug/Alcohol Free Workplace

It is YEI's policy to maintain and provide a safe and healthful work environment that enables employees to achieve levels of efficiency, productivity, quality, and security to meet the needs of YEI customers. A safe and healthful environment is also free from the effects of alcohol and illegal drugs.

The employment of individuals who engage in activities jeopardizing this safe and healthful environment constitutes a serious risk to personnel, property, products, and operations. Therefore, as a condition of continued employment, applicants and employees will be required to submit to drug and/or alcohol testing in accordance with the guidelines set forth in this procedure.

Appropriate education prevention, counseling, treatment, and rehabilitation programs and services will be offered to employees and their eligible dependents when alcohol or drug abuse impacts employee’s work performance or YEI’s interests. Such procedures shall not be a defense for failure to comply with YEI Substance Abuse/Drug Testing policy.

Legal requirements will be followed in connection with alcohol and drug testing programs established by the United States Constitution and by any agency or company which the employee is contracted to.

1.1 Prohibited Conduct

YEI prohibits the introduction, manufacture, possession, sale, purchase, distribution, solicitation for sale, or use of alcohol or illegal drugs on the premises as well as the misuse of legal drugs. It is also a violation of YEI procedure for an employee or an applicant to:

- Test positive on a drug/alcohol test administered in accordance with this procedure.
- Refuse to submit to such a test.
- Adulterate or attempt to adulterate a drug test specimen.
- Report to work with a system presence of alcohol or illegal drugs.

2.0 Alcohol and Illegal/Legal Drug Abuse Testing Requirements

YEI has specific employee alcohol and drug abuse test screening requirements. However, alcohol and drug screening tests are not administered without an individual’s consent.

Note: Refusal to participate may result in disciplinary actions up to and including termination.

2.1 Pre/Post Employment Offer Testing

Every applicant who receives an offer of employment may be required to undergo a testing for the presence of illegal drugs as a condition of employment.
2.2 **Reinstated or Recalled Employee Testing**

Every employee who is reinstated or recalled to YEI employment after a 90-day or longer absence may undergo a testing for the presence of illegal drugs as a condition of employment.

2.3 **Reasonable Suspicion/ Cause Testing**

Employees are subject to drug/alcohol tests when their behavior creates a reasonable suspicion of being under the influence of drugs or alcohol. Also, employees involved in vehicular accidents on the work site or in company vehicles are subject to testing.

2.4 **Return from Medical Leave for Chemical Dependency**

Employees returning from medical leave, either directed or self-referred, following the completion of a rehabilitation program for chemical dependency must submit to and pass a drug/alcohol test as a condition of returning to work. If the test result is positive, or if the employee refuses to test, the employee cannot return to work and will be subject to disciplinary action.

2.5 **Random Testing of Employees with Identified Chemical Dependency Problems**

Employees with identified chemical dependency problems must submit to follow-up random drug/alcohol testing. Tests are conducted on a random schedule for up to a two-year period. Employees are subject to discipline up to and including termination for positive test results.

3.0 **Testing Employee Vehicle Operators**

Employees designated to drive certain vehicles in interstate commerce are subject to the Controlled Substances Testing regulations of the Federal Highway Administration (FHWA) and are tested for drug use according to Department of Transportation (DOT) guidelines:

- Pre-employment
- Reasonable cause
- Random
- Periodic
- Post accident

Employee drivers operating U.S. Government-owned vehicles under a contract with the U.S. Government are not currently covered by FHWA regulations. Such drivers are considered “sensitive positions” and may be required to submit to mandatory testing.

Bus or truck drivers who are required by law to have a Commercial Driver’s License requiring medical examiner’s certificate pursuant to Federal Department of Transportation regulations or applicable State law, and who are not subject to the drug testing requirements of the FHWA regulations require periodic testing.

3.1 **Post Accident Testing**

Any employee involved in a vehicular accident or a work related injury involving medical treatment shall submit to drug/alcohol testing within one hour of the incident or as soon as medical circumstances allow.
4.0 Random Testing of all Employees

All YEI non-represented employees deemed to be in a "sensitive position" are subject to random drug and alcohol testing.

4.1 Positive Test Results

YEI does not hire applicants who test positive for illegal drugs.

Employees who test positive for the presence of drugs or alcohol are subject to the following disciplinary actions:

- If it is the first offense, a final warning is issued and, if appropriate, the employee is referred for rehabilitation. The employee will be withheld from duty in “Leave without Pay” status pending rehabilitation. Note: Discipline may be more severe depending on the circumstances of the case.
- If it is the second offense, the employee will be terminated from employment.

The company considers any of the following actions equivalent to a positive test result:

- Refusal to consent to a test.
- Refusal to cooperate with the testing procedures.
- Actual or attempted adulteration of a test result.
- Failure to report for testing within one hour time period after being notified of a random drug test.
- Failure to complete prescribed rehabilitation.

If there is a sufficient basis to terminate an employee for reasons, in whole or in part, connected with an identified substance abuse problem, (e.g., poor attendance or positive drug/alcohol tests) management may, but is not required, to provide the employee a final opportunity for rehabilitation.

5.0 Adverse Information Reporting

Adverse information reports are filed with the cognizant security organization on employees with Department of Defense (DOD) personnel security clearance who test positive on a drug and/or alcohol test.

5.1 Searches

As a condition of continued employment, YEI employees working on government premises are subject to announced and/or unannounced searches, by authorized security personnel, of work areas, including desks, file cabinets, etc., and personal belongings brought on to government facilities. Vehicles, packages, briefcases, toolboxes, and purses are subject to inspection as employees enter or exit a facility.

6.0 Use of Prescription Drugs

An employee who takes a prescribed drug that may affect job performance in a manner which may produce a risk to the safety of the employee, coworkers, or the public must report the taking of such drugs to cognizant manager or approved designee.
7.0 Confidentiality Requirements

YEI complies with all laws (Federal and State) concerning the privacy of employee information. Inquiries about employees/former employees are restricted and can only be responded to by Human Resources.
1.0 Smoking

It is the policy of the Company to provide and maintain a healthful and clean working environment. It is the Company's intent to enforce a smoke-free workplace for the safety of all of its employees. Studies have proven that smoking is a leading cause of preventable illness and premature death. In addition, there are studies that indicate that "side stream smoke" and "mainline smoke" are responsible for concentrations of nicotine, carbon monoxide, etc., in the non-smoker's environment.

The Company hopes to promote an awareness of the concerns of non-smokers among those who do smoke, asking that they be responsive to the needs of those who find close proximity to smoke objectionable. Although we believe that the spirit of thoughtfulness and cooperation which is characteristic at the Company is normally adequate to resolve any disputes, in the case of a deadlock, then the rights of the non-smoker shall be given precedence.

The following guidelines strive to meet the needs and desires of both smokers and non-smokers.

As in many other aspects of work, employees need to be sensitive to and extend common courtesy to their fellow employees.

1.1 No Smoking Areas

The Company is subject to state statutes regarding smoking in the workplace. Therefore, the Company has chosen to eliminate smoking from all of its facilities. Smoking is prohibited in:

a. All buildings, conference and meeting rooms, offices, classrooms, restrooms, common areas (foyer/reception areas), stockrooms, hallways, stairwells, refreshment areas, kitchens, demo-rooms, copy rooms, mail rooms, equipment rooms, (phones, electricity, furnaces, storage, etc.), printer rooms, and any other areas which are designated areas for sensitive equipment storage.

b. Smoking is not permitted in any areas in which a fire or safety hazard exists nor in company/government owned, leased, or operated vehicles. Willful disregard of this policy will be the basis for disciplinary action.

1.2 Management’s Responsibility

The following guidelines are intended as examples of actions consistent with the Company's Smoking policy:

a. Insuring that these guidelines are disseminated and adhered to;

b. Resolving disputes arising under this policy;

c. Ensure that employees that are smoking are smoking only at times and in places not prohibited by Company rules or local ordinances.

d. Having the department supervisor investigate alleged violations and take necessary corrective action.
1.3 Noncompliance Penalties

Violation of this policy may result in disciplinary action, up to and including termination of employment.
1.0 Behavior of Employees

It is the policy of the Company that certain rules and regulations regarding employee behavior are necessary for the efficient operation of the Company and for the benefit and safety of all employees. Conduct that interferes with operations, discredits the Company, or is offensive to customers or fellow employees will not be tolerated.

a. Employees are expected at all times to conduct themselves in a professional manner so as to promote the best interests of the Company. Such conduct includes, but is not limited to:

1. Reporting to work on time, and being at the proper work area ready for work.
2. Giving proper advance notice whenever unable to work or report on time.
3. Complying with all Company and customer safety, environmental, traffic and security regulations.
4. Smoking only at times and in places not prohibited by Company rules or local ordinances.
5. Wearing clothing appropriate for the work being performed.
6. Maintaining workplace and work area cleanliness and orderliness.
7. Treating all customers, visitors, and fellow employees in a courteous manner.
8. Refraining from behavior or conduct deemed offensive or undesirable, or which is contrary to the Company's best interests.
9. Performing assigned tasks efficiently and in accord with established quality standards; and
10. Reporting to management suspicious, unethical, or illegal conduct by fellow employees, customers, or suppliers.

b. The following are examples of conduct that is prohibited and will subject the individual involved to disciplinary action, up to and including termination. This is not an exhaustive list, however, conduct which may not be listed herein may also subject employees to disciplinary action.

1. The violation of any Company policy.
2. The reporting to work under the influence of alcoholic beverages and/or illegal drugs and narcotics or the use, sale, dispensing, or possession of alcoholic beverages and/or illegal drugs and narcotics on Company premises.
3. The use of profanity or abusive language.
4. The possession of firearms or other weapons on Company property.
5. Insubordination or the refusal by an employee to follow management's instructions concerning a job-related matter.

6. Fighting or assault on a fellow employee or customer.

7. Theft, destruction, defacement, or misuse of Company property or another employee's property.

8. Falsifying or altering any Company record or report, such as an application for employment, a medical report, a production record, a time record, an expense account, an absentee report, or shipping and receiving records.

9. Threatening or intimidating management, supervisors, or fellow workers.

10. Smoking if prohibited by local ordinance or Company rules.

11. Failure to wear assigned safety equipment or failure to abide by safety rules and policies.

12. Improper disclosure of trade secrets or confidential information.

c. The examples listed above are illustrative of the type of behavior that will not be permitted, but they are not intended to be an all-inclusive listing. Any questions in connection with this policy should be directed to the Human Resources Manager.
1.0 Dress Code

It is the policy of the Company that each employee's dress, grooming, and personal hygiene should be appropriate to the work situation.

a. Employees are expected at all times to present a professional, business-like image to customers, prospects and the public. Favorable personal appearance is an ongoing requirement of employment with the Company.

b. The personal appearance of office workers and any employees who have regular contact with the public is to be governed by the following standards:

1. Employees are expected to dress in a manner that is normally acceptable in similar business establishments. At a minimum, males are to wear clean, pressed shirts and slacks; females are to wear dresses, skirts, slacks, and blouse (short, tight skirts are unacceptable). At no time during normal working hours are employees permitted to wear jeans, tennis shoes, or sandals.

2. Hair should be clean, combed, and neatly trimmed or arranged.

c. The personal appearance of employees who do not regularly meet the public is to be governed by the requirements of safety and comfort, but should still be as neat and business-like as working conditions permit.

d. Certain employees may be required to meet special dress, grooming, and/or hygiene standards depending on the nature of their job and the governing regulations in place.

e. Certain employees may be issued uniforms by the Company. Those employees will be responsible to maintain the issued uniforms in compliance with these provisions, including care of the uniforms. Uniforms will be kept in a neat and orderly fashion as they are the property of the Company. All uniforms will be required to be returned to the Company for replacement or at the conclusion of the individuals employment with the Company.

f. Any employee who does not meet the standards of the policy will be required to take corrective action, which may include leaving the premises. Any work time missed because of failure to comply with this policy will not be compensated, and repeated violations of this policy will be cause for disciplinary action.

1.1 Maintenance of Work Areas

It is the policy of the Company that work areas are to be kept clean and orderly at all times.

a. All employees are responsible for maintaining their work areas in a clean and orderly fashion at all times. To fulfill this responsibility, each employee should, at a minimum, do the following:

1. Prior to the end of the workday, clean and store all tools and equipment and properly secure any items, papers, or information of value.
2. Employee areas are to be kept free of food and related litter.

3. Place coats, boots, umbrellas, and other items of clothing in designated areas so that work stations are not unnecessarily cluttered.

b. Supervisors are responsible for making sure that their employees maintain their work areas in accordance with the requirements of this policy. Each supervisor should:

1. Make sure that aisles, floors, stairwells, and walls are free of debris and other unnecessary items.

2. Monitor the facilities and equipment and issue maintenance requests where appropriate.

3. Arrange for the removal of any items from the workplace that are not needed for the flow of business or the comfort and enhancement of employees.

4. Report to the Human Resources office any existing or potential workplace hazards.

5. Ensure that all trash, waste, and scrap are properly disposed.
1.0 Purpose
Yang Enterprises, Inc. Safety Plan is in place to ensure the safety of all employees, the protection from injury and to be in compliance with state and federal regulations.

2.0 Scope
Each employee and subcontractor of Yang Enterprises, Inc. will be apprised of this plan and will be required to follow the guidelines.

3.0 Company Policy
The Company’s policy is to provide a safe work environment for the employees as well as ensure the safety of equipment/property. The Company will follow the customer, OSHA, and State safety guidelines during work operations. Employee training and certification may be mandatory in specific contract’s job tasks/assignments and with all employees receiving general training. Where required by contract provisions, specific policies and procedures will be implemented.

4.0 Responsibilities
Managers will be directly responsible for scheduling, coordinating and conducting safety meetings in accordance with contract requirements, inspections of safe working conditions and personnel protective equipment and ensuring employees are conducting tasks safely and following the established safety procedures.

5.0 Safety Committee
Safety committees will be established by Managers, when required, in accordance with contract and agency requirements.

6.0 Safety Reports and Inspections
Yang Enterprises, Inc. ’s Managers will have the following responsibilities:
- New employee safety orientation
- On the job training, as needed
- Safety meetings
- Safety Operating Procedures (SOP)
- Providing immediate response to life threatening or serious emergencies by calling 911
- Reporting of all accidents – Investigate each incident or “close call”
- Vehicles/equipment – Complete periodic unscheduled inspections
- Monitoring work operations for safety compliance
- All unsafe work conditions will be observed and documented, and appropriate corrective action will be taken
7.0 Safety Awareness, Training, and Meetings

Employees of Yang Enterprises, Inc. are the first line of safety in the work place with the awareness of prevention of potential health and physical risks associated with job tasks and the protection of co-workers as well as the environment. Material Safety Data Sheets (MSDS) are made available to all employees in the use of products/chemicals. Random audits will be accomplished to ensure employees are aware of the location of MSDS and to ensure that they are referred to when needed.

All products will be properly labeled in compliance with rules and regulations.

Safety briefings will be conducted to explain the policies and procedures associated with the Right to Know Law and Yang Enterprises, Inc. Safety Plan.

Training is an on-going process to ensure employees are aware of safety regulations, policies, procedures, and/or any safety issues. Training may include videos, documentation and safety related material.

8.0 Emergency Procedures

Yang Enterprises, Inc.’s employees will follow all emergency procedures for emergencies such as tornadoes, weather conditions, fire prevention and evacuation procedures.

Should an emergency situation arise during the workweek (such as prolonged power failure or a hurricane) which prevents you from performing your normal duties or presents a hazard to your safety, you will be excused by your manager for the appropriate time period.

In the event that a disabling event occurs during non-working hours, the following procedure should be followed:

1. The President/CEO will determine whether the office will open for business.
2. In the event that the office will be closed, a message will be placed on the office answer machine’s outgoing message as notification.
3. Each individual staff member will call the office between 8:00 a.m. and 9:00 a.m., following an emergency situation such as a hurricane or other disabling event, to retrieve the message regarding office closure.

9.0 Investigations/Mishaps Reporting

Any employee involved or injured in an accident or mishap will advise his/her Manager of the incident. The Manager will be responsible to investigate the incident and to submit required reports to appropriate personnel.

Mishaps will be reported and investigated in accordance with established guidelines.

10.0 Training

Employees will attend scheduled training classes as assigned. The Managers will be responsible to notify their employees of training classes and pertinent information.

11.0 OSHA and Other Requirements

Yang Enterprises, Inc. will be in concert with standard Occupational Medicine and Environmental Health Plan in following the procedure for employee injuries on the job. It is the employee’s responsibility to immediately notify their Manager of any injury.
The injured employee’s Manager will complete the necessary forms per the Florida Worker’s Compensation Law.

Prior to return to work by the employee, a doctor’s release form will be required from the employee’s personal physician upon reporting back to work. The individual will also provide a copy of the release to the Manager and the form will remain on file.

12.0 Safety Regulations and Standards

Yang Enterprises, Inc. will implement safety regulations and standards in its daily operations:

- Emergency Preparedness
- Safety Practices
- Reporting and Investigating Mishaps
- Protective Clothing and Safety Equipment

13.0 Key Performance Indicators

Managers will implement appropriate mechanisms to monitor safety performance in areas which typically include personnel injury and vehicle accidents. The mechanisms will be governed by conditions and specific contract and regulatory requirements.

14.0 Awards/Recognition

To complement our safety process as required by specific contract requirements, an employee awards/recognition program will be established to recognize safety conscientious individuals.

15.0 Conclusion Statement

The Company will periodically review its Safety Plan to ensure the most accurate updated safety information is available to employees.
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1.0 Employment Openings

1.1 Eligibility

Employment openings are filled from within the Company whenever possible. If a suitable candidate is not already available on the payroll, the position is filled in accordance with the following policies.

1.2 Selection

Employees are selected on the basis of skill, intelligence, aptitude, and salary requirements. Qualifications for the job are given prime consideration.

1.3 Geographic Area

Individuals shall be recruited from a geographic area as wide as is necessary to assure obtaining well-qualified candidates for the various types of positions.

1.4 Former Employees

Employees who have left YEI through no fault of their own, and who fill out an application for re-employment, will be given consideration. It is our policy not to reinstate those who are discharged for cause. A reinstated person does not retain any rights and/or benefits which may have accrued during previous employment with the Company.

1.5 Request for Additional Personnel

When a department submits a request to the Human Resources office to fill an employment opening the request must include the title of the position to be filled, as well as the education, experience, and specific skills required to enable the Human Resources manager to satisfactorily find the personnel being sought by the department. Requests for personnel should be made reasonably far in advance of actual need when circumstances permit. All requisitions require the approval of the supervisor, department manager, and an officer of the Company.

The Human Resources office, in conjunction with the department supervisor, shall determine the necessary procedures to fill appropriate vacancies. Such procedures shall be used as might be expected to bring notice of employment opening to as many qualified persons as possible.

1.6 Acceptance of Applications

All employment applications must be made on a standard Application for Employment form issued by the Company. This form must be completed personally by the applicant. Applications for positions with YEI will be active and considered by the Human Resources department for a term of one (1) year from date of the application, unless the application becomes void by virtue of some other rule. Consideration for each applicant shall be based on merit and ability.
1.7 Application Reference

As part of the pre-employment procedure, former supervisors, employers and references provided by candidates shall be checked by the Human Resources department as a precaution against obtaining unacceptable employees. Reference checks made by personal or telephone contact will be documented and made part of the candidate's application.

2.0 Filling Employment Openings

2.1 Categories of Employment

Part-Time: One who is assigned a regular workweek of less than 40 hours. Employees assigned a workweek of 20 or more hours receive a pro rata accrual of annual and sick leave and partial holiday pay. For example, a part-time employee assigned to work 20 hours per week would accrue 50% of normal annual and sick leave entitlement and receive 50% of full holiday pay.

Contract / Consultant Employees: Employees who are in positions that are anticipated to be of comparatively short duration or on a consulting basis are not eligible for company-paid benefits except those that may be required by law such as FICA, workers compensation, and unemployment insurance. They may participate in company activities.

Full-Time / Regular Employee: One who is assigned a regular work week of 40 or more hours. Full time employees accrue a full portion of annual and sick leave and receive full pay for authorized holidays.

Non-Exempt Employee: One who is subject to the provisions of the FLSA or SCA relating to minimum rates of pay, premium payment for overtime hours worked, and entitlement to specified minimum fringe benefits. These are generally employees in clerical, trades, technician, or semiskilled categories.

Exempt Employee: One who is assigned to a bona fide management, professional or administrative position which is exempt from FLSA or SCA provisions and receives a fixed salary (not based on the number of hours worked). These are generally engineers, scientists, managers, accountants, lawyers, etc.

All employees must sign an employment offer prior to being hired.

2.2 Transfers

A permanent employee, with the approval of the current department supervisor and the Human Resources manager, may be transferred. Prior to accepting the transfer, employees should carefully consider the procedures by which the transfer is accomplished. An employee may be transferred to another department with the same job classification and such transfer shall not change the employee's pay rate, anniversary date, or the accrual of benefits.
2.3 Reinstatements

An employee who has resigned with a good record may be rehired, if a vacancy exists, to the same or similar position from which the employee resigned. Such action originates only from departmental request, and request for approval of the action must be submitted to the Human Resources department. Reinstated employees are considered new employees for the purpose of accruing all benefits.
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1.0 Vehicle Accident Prevention

YEI has an obligation in carrying out its responsibilities to prevent accidents involving vehicles operated by YEI personnel.

Vehicles are especially vulnerable to abuse and mistreatment if an operator becomes lax, careless, or negligent. This policy was developed to reduce the number of vehicular related accidents and the potential injury to employees and property damage.

1.1 Accident Investigation

YEI will investigate all accidents involving any vehicle operated by YEI personnel to determine cause and fault. Vehicle accidents occurring in support of a contract will be subject to the specific contract’s accident investigation requirements.

1.2 Post Accident Drug Testing

Post Accident drug testing will be conducted on any YEI employee involved in a vehicular accident as per guidelines contained in the Drug/Alcohol Free Workplace policy.

1.3 Exception from Post Accident Drug Testing

The only possible exceptions from post accident drug testing are those employees who are involved in animal strikes. Those vehicle operators may be excused from testing at the discretion of management, based on the circumstances of the accident.

YEI will give due consideration to any evidence of extenuating circumstances provided by the employee or representative of the employee which serves to lessen the penalty. Penalties which are more severe than set forth in the following steps may be imposed when deemed appropriate by the officers of the company.

1.4 Disciplinary Steps

Employees who, through negligence or carelessness in the operation of any government or corporate vehicle, cause an “at fault” accident resulting in damage to persons or property will, in the absence of mitigating or aggravating circumstances, incur disciplinary penalties in accordance with the following schedule:

a. First Vehicular Accident

<table>
<thead>
<tr>
<th>INFRACTION</th>
<th>MINIMUM PENALTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 to $749 damages</td>
<td>Letter of Reprimand</td>
</tr>
<tr>
<td>$750 to $1,499 damages</td>
<td>One Day Suspension</td>
</tr>
<tr>
<td>$1,500 or more damages</td>
<td>Two Day Suspension</td>
</tr>
</tbody>
</table>

A non-probationary employee may elect, as a one-time option, to attend a state recognized defensive driving course. If an employee so elects, disciplinary action will be held in abeyance for 30 calendar days, pending receipt of certification of completion. All costs associated with this option will be borne by the employee.
Successful completion of this course shall result in a reduction of the above minimum penalties to the following:

- For the first vehicular accidents with damages of $0 to $749, letter of reprimand may be removed after six (6) months.
- For first vehicular accidents with damages of $750 to $1499, letter of reprimand may be removed after twelve (12) months.

b. Second Vehicular Accident (Within 24 consecutive months)

<table>
<thead>
<tr>
<th>INFRINGEMENT</th>
<th>MINIMUM PENALTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 to $1,499 damages</td>
<td>Three Day Suspension</td>
</tr>
<tr>
<td>$1,500 or more damages</td>
<td>Five Day Suspension</td>
</tr>
</tbody>
</table>

c. Third Vehicular Accident (Within 24 consecutive months)

<table>
<thead>
<tr>
<th>INFRINGEMENT</th>
<th>MINIMUM PENALTY</th>
</tr>
</thead>
<tbody>
<tr>
<td>All accidents</td>
<td>Ten Day Suspension</td>
</tr>
</tbody>
</table>

Note: Failure to report an accident will result in an additional suspension of up to ten days or possible termination.
1.0 Probationary Period

The probationary period is an integral part of the hiring process. It is utilized to observe closely the new/transfered employee's work, to secure the most effective adjustment of a new/transfered employee to the position, and to reject any employee whose performance does not meet the required work standards.

The probationary period shall be for a period of ninety (90) days for all employees, from the first day of work for the employee.

During the probationary period, the Human Resources manager will request a report of the supervisor's observation of the probationary employee's work and a judgment as to the employee's willingness and ability to perform the job duties satisfactorily. During the probationary period, the employee's supervisor will notify the employee when performance is not satisfactory.

If a newly-hired/transfered probationary employee has been found to be unqualified to perform or will not properly perform the duties of the position, the employee may be dismissed.

An employee serving an initial probationary period receives all the benefits and rights as provided by the policies.

Participation in, or completion of, the probationary period does not alter the employee's at will status.

1.1 Orientation and Training

It is the policy of the Company to provide orientation programs for new employees and to conduct or support training programs as deemed appropriate.

a. The Human Resources department is responsible for the overall development and coordination of the orientation program and for implementing the portions that cover corporate history, policies, benefits, and new employee files and documentation. Each supervisor is responsible for orientation as it applies to introducing the new employee to the specific job and department and may select a co-worker to serve as a sponsor to facilitate the new employee's transition.

b. Supervisors are responsible for recommending employees for special training programs, for providing on-the-job training, or for arranging on-the-job trainers. Such training will normally be conducted during regular working hours.

c. Supervisors may approve employee participation in continuing education and/or training programs when such instruction is deemed beneficial or considered work/career related.

d. The Company may consider the feasibility of sponsoring or conducting special programs when continuing education and in-service programs are required.

e. The Company will provide special training programs for safety and health matters when deemed necessary, or as required by government regulation.
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1.0 Hours of Employment

Regularly scheduled workweeks are normally based on a Monday through Friday schedule. To ensure compatibility with customer needs and practices and certain projects or contracts, regularly scheduled work hours or days may vary. Work schedules will be established for each project, contract or location by the appropriate managers. Deviations from regularly scheduled work schedules must be approved by the appropriate supervisors.

a. Each employee is required to report to his/her regularly scheduled work shift in a proper condition, ready to work, and at the designated start times. A proper condition will be construed as to mean the employees ability to meet their assigned job duties and are healthy enough to work as assigned. Employee will adhere to the established workday and workweek assigned.

b. Length of meal periods and starting/stopping times vary depending on the operation. Scheduling work in a manner which maintains the safety and security of the operation while complying with applicable laws and regulations as well as customer requirements is of extreme importance. The accepted standard for meal periods is at least one-half hour in length. As a matter of practice, all employees are scheduled to take a meal period, irrespective of the absence of any laws or regulations guiding establishing requirements.

c. The supervisor is responsible for defining and resolving any questions concerning an individual employee’s work schedule.

d. Supervisors have the authority to approve non-standard work schedules for employees based on contract/customer requirements or other business circumstances. Under this determination, employees who work their full 40 hours in fewer than five workdays will not be charged personal leave or vacation for not working the remaining days of the standard workweek. If a nonexempt employee is to work a non-standard work schedule, the supervisor must coordinate with and get approval from the Program Manager prior to implementing the schedule in order to ensure compliance with the Fair Labor Standards Act, and any other governing regulation.

1.1 Pay Periods

YEI utilizes biweekly pay periods, with each pay period beginning on Saturday of the first week and ending on Friday of the second week. To ensure compatibility with customer needs and practices, and certain projects or contracts, regularly scheduled pay periods may vary between biweekly and weekly dependant upon the contract. Paychecks are issued on the Friday following the close of each pay period. At the option of the employee, paychecks will either be distributed by the employee’s supervisor, or deposited directly into the employee's account or at a designated financial institution. Direct deposits offer a number of advantages to the employee, as well as the employer, and are encouraged.
1.2 Overtime for Non-Exempt Employees

Yang Enterprises, Inc. will make every effort to carefully plan required overtime with due regard for its impact on employees and the service needs of customers, subject to the following conditions:

- Prior written authorization is required.
- All overtime work must be documented, justified, and approved in advance. Compensation for overtime may be authorized for non-represented employees.
- All hourly (non-exempt) employees who work more than 40 hours in one work week will receive overtime pay in accordance with applicable law. Overtime will be computed on actual minutes worked, adjusted to the nearest increment of 15 minutes. Only those hours that are actually worked are added together to determine an employee’s overtime pay. Compensated holidays, for example, are not hours worked and, therefore, are not counted in making overtime calculations. Those employees that work on scheduled holidays will be paid for the holiday, in addition to any hours worked that day.

1.3 Exempt Employees

Compensation for overtime in excess of 45 hours per week may be paid when it is authorized. Overtime pay for hours worked will be computed at the exempt employee’s regular rate of pay.

Compensatory time off may also be used when authorized and must be scheduled so as to not interfere with work.

1.4 Payday

Payday for employees of YEI that are bi-weekly, will normally be on Fridays (Note: 2nd shift employees may receive their paychecks on a Thursday evening at YEI’s discretion). The same will apply for those YEI employees who are paid weekly per contract.

1.5 Timecards

In accordance with federal laws requiring that accurate records be kept of hours worked in each workday and each workweek, all employees will record their actual hours of work through the use of a contractor's timecard or the timecard issued by the Company on a daily basis. Any changes must be initialed by the employee and the employee’s supervisor. Holiday or annual leave (Personal Leave Time) may be recorded at the close of the regularly scheduled work day preceding the absence.

At the end of the last shift worked in each pay period, employees should enter and total the hours worked during the pay period, sign the timecard, and give it to their appropriate supervisor for review and approval.

If electronic time cards are used, they will be processed in accordance with instructions given for submittal.
1.6 Attendance

Each department supervisor shall be responsible for the punctual attendance of employees in the department. Each employee is responsible for fulfilling the requirements of his/her job. Employees are expected to be at work, on time, every day they are scheduled to work. All work and personal leave times shall be accurately recorded by the employee. If an employee is unable to work for any reason, he/she shall notify the supervisor as soon as possible (but no later than one (1) hour after the scheduled reporting time) stating the reason for the absence or tardiness and the anticipated return to work information.

If the supervisor is unavailable, leave a voice message for your supervisor and speak directly with the next senior member of your department. Failure to provide this information may result in denial of the leave request. This provision may be waived by the supervisor if the employee submits evidence that it was impossible to give such notification. Lack of evidence regarding non-notification (“no call, no show”), habitual or unjustified absenteeism or lateness is sufficient cause for disciplinary action, up to and including termination.

Chronic absenteeism, repeated tardiness, unexcused absences, abuse of sick leave privileges, or failure to notify supervision promptly when unable to report to work are all considered unacceptable conduct and are violations of HR-0032 – Disciplinary Action.

1.7 Absences from Work

Yang Enterprises, Inc. recognizes that periodically, employees require time away from work for a variety of reasons. In order to meet these needs, the Company has established a variety of leave programs and benefits including: personal leave, medical leave of absence, personal leave of absence (without pay), and family medical leave. In addition, employee absences occur as a result of holidays, vacations, jury service, and military service. Absences are classified as excused or unexcused.

a. **Excused Absence** - An employee’s absence is considered excused if covered by Company policies and the employee provides proper and timely notification deemed satisfactory to the Supervisor or Manager. Timely notification means calling in on the day of absence in accordance with the above procedure or providing advance written notice for absences which can be anticipated.

b. **Unexcused Absence** - An absence is deemed unexcused if an employee fails to call in, gives late notice, fails to give advance written notice for an absence which could be anticipated, or exceeds the number and/or length of absences as allowed by Company policies. Unexcused absences are subject to disciplinary action, up to and including termination. Any combination of unexcused absences will be considered in determining the appropriate disciplinary action.

c. **Excessive Absenteeism** - defined as unauthorized absences in excess of seven (7) days in a twelve (12) month period will warrant disciplinary action up to and including termination.
1.8 **Tardiness**

Tardiness is defined as failure to arrive prior to scheduled shift start time, returning from lunch or other breaks late, and is not acceptable. Excessive tardiness shall be subject to corrective discipline or termination. Excessive tardiness is defined as three (3) or more instances of lateness in a thirty (30) day period, and is sufficient cause for disciplinary action, up to and including termination.

1.9 **Early Dismissal**

An employee’s request to leave work early may be considered by the Supervisor or Manager. Approval of such absences should be based upon the urgency of the reason for absence and department staffing needs. Early dismissals should not exceed one (1) instance per month or five (5) instances in a calendar year. Failure to gain supervisor’s approval for early dismissal is sufficient cause for disciplinary action, up to and including termination.

2.0 **Facility Closing**

When emergency conditions interfere with work operations, the Company's officers will be responsible for determining whether to close the business for a day or longer.

During severe weather conditions, lack of heat or electricity, catastrophe, fire, acts of God, civil disturbances, or other similar conditions, the time the business is closed will not be considered paid time off unless specifically authorized.

Unless notified by the “media” or by telephone announcement, all employees are to assume in all cases that the business will be open. Employees who fail to report to work because of inclement weather or other emergency conditions when the business does in fact remain open, will be denied pay for the time off.
This policy was superseded by HR-0015 – Annual Leave/Paid Time Off (PTO) as revised effective February 1, 2010.
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1.0 Annual Leave (Vacation)

The Company provides annual leave with pay for all full-time and part-time employees. Annual leave benefits for full-time employees are based upon length of continuous employment.

1.1 Rate of Earning

Annual leave shall be calculated and accrued bi-weekly from the date of employment in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Completed Service</th>
<th>Annual Leave Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 – 4 years</td>
<td>Twelve (12) working days</td>
</tr>
<tr>
<td>5 – 15 years</td>
<td>Seventeen (17) working days</td>
</tr>
<tr>
<td>15 year +</td>
<td>Twenty-Two (22) working days</td>
</tr>
</tbody>
</table>

Advanced approval of leave should normally be obtained at least two weeks before it is planned to be taken. YEI will make every effort to approve leave at the time the employee desires to take it, although there may be times when contract or project schedules necessitate that it be taken at other times.

Each employee may carry-over up to twenty (20) days (one hundred sixty (160) hours) of accrued leave at the end of each calendar year. Accrued, unused leave will be paid at the employee’s rate of pay at the time of employment discontinuance. Full-time employees who work under 40 hours per week shall earn annual leave time in proportion to the amount of the time scheduled to work.

On some contracts which are subject to the Service Contracts Act (SCA), leave entitlements may differ from that specified above in accordance with respective Collective Bargaining Agreements (CBA). In that case, the CBA provisions will prevail.

Part-time employees who work over 20 hours per week will accrue annual leave with pay in proportion to the amount of time worked.

If the employee is not afforded the opportunity to use his/her annual leave, the excess shall be placed in the employee’s annual leave account, not to exceed a maximum of 160 hours.

The Company will suspend the accrual of additional annual leave once an employee reaches the maximum of 160 hours. The Company has established the “Use it or lose it policy”.

Earned annual leave time shall be scheduled and charged to the employee for the actual time the employee is away from work. Unearned or advanced use of annual leave time is not authorized.

Holidays which occur during the period selected by the employee for annual leave shall not be charged against such annual leave. However, the holiday will be charged against holiday leave regularly due the employee.

Should an employee be hospitalized during an annual leave period, annual leave will not be charged against the period of hospitalization.
Annual leave may be scheduled at any time during the year, with consideration being given to both the desires of the employee and the efficient operation of the Company. Employees are urged to inform their supervisor of their desired annual leave as far in advance of the desired date as possible. Annual leave may be taken only after approval by the appropriate department supervisor, but every employee shall be encouraged to take his or her allotted leave during the year.

An employee who resigns or whose services are terminated will be compensated for accrued leave based upon his/her salary at the time of termination. Annual leave is not accrued for the pay period in which an employee is terminated. No other pay in lieu of annual leave is authorized.

1.2 Recordkeeping

The employee will code the leave on his/her timecard as annual leave.
1.0 Holidays

Yang Enterprises, Inc. will provide full-time non-represented employees with ten (10) paid holidays each year. The following holidays are observed:

- New Years Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Christmas Day
*Company’s floating holidays

*Holidays not listed above will be observed on the day after Thanksgiving and during the Christmas holiday, i.e., additional days off during the week of Christmas. These holidays will be published annually in the Company’s calendar and are subject to change depending on the calendar year.*

Due to contractual obligations, the Company will provide the choice for employees working at customer’s facilities to substitute holidays. This will provide the flexibility for the Company to support customers on all holidays. Holidays cannot be carried over if unused.

All full-time employees will receive time off with pay computed at their regular rate of pay for each of the holidays earned. All part-time employees who work over 20 hours will receive time off with pay based on the average hours worked in the preceding pay period prior to the holiday. (i.e. if an employee works 20 hours the week before a holiday, that employee will receive 4 hours of holiday).

An employee must be on active pay status in order to qualify for the holiday time.

1.1 Service Contract Act (SCA) Holidays

On contracts which are subject to the Service Contracts Act (SCA), scheduled holidays may differ from that specified above in accordance with respective collective bargaining agreements.

1.2 Holiday on Scheduled Work Day

If any non-exempt employee’s regularly scheduled work day falls on a holiday, and the employee is required to work by the supervisor, he or she will receive holiday pay plus pay at direct time rate for the number of hours worked on that day. This policy applies to regular holidays.

Exempt employees who are required to work on the observed holiday will be paid for hours worked at management discretion in addition to holiday pay compensation at a straight time rate. Prior written authorization is required.
1.3 **Holiday on Leave Day**

Employees on vacation leave, jury duty, sick leave, or military leave must use the holiday on the same day that it is earned.

An employee who is scheduled to work on the day observed as a holiday and reports sick will be charged with the holiday time for that day.

1.4 **Customer Holidays**

Where a customer observes holidays different from those listed above, the customer's holidays may be observed instead of the listed holidays upon prior arrangement by and approval of the officers of the Company.

On some contracts which are subject to the Service Contract Act (SCA), leave entitlements may differ from that specified above in accordance with respective Collective Bargaining Agreements (CBAs). In that case, the CBA provisions will prevail.

1.5 **Record Keeping**

The employee will code the holiday on his/her timecard as holiday leave.
1.0 Family and Medical Leave

In accordance with the Family and Medical Leave Act, the Company provides all eligible employees with unpaid family and medical leave as set forth below.

1.1 Policy

All eligible employees are permitted to take up to twelve (12) weeks of unpaid family/medical leave within any 12-month period (calculated from when the 12-week leave begins). Leave under this policy does not necessarily have to be taken consecutively. When an employee returns from family/medical leave, he/she will normally be returned to the same position or one that is equivalent in terms of salary, benefits, and other terms and conditions of employment.

1.2 Reasons for Family/Medical Leave

Employees may take family/medical leave for any of the following reasons: (1) the birth of a son or daughter and in order to care for such son or daughter; (2) the placement of a son or daughter with an employee for adoption or foster care; (3) to care for a spouse, son, daughter, or parent ("covered relations") with a serious health condition; or (4) for an employee’s own serious health condition. Entitlement to leave for the birth or placement of a son or daughter expires at the end of the 12 month period beginning on the date of birth or placement. In addition, spouses employed by the Company who request leave because of reasons "(1)" or "(2)" or to care for an ill parent may only take a combined total of 12 weeks leave during any 12 month period.

1.3 Notice of Leave

If your need for family/medical leave is foreseeable, you must give the Company 30 days prior written notice. Where the need for leave is not foreseeable, you are expected to verbally notify the Company within 1 or 2 business days of learning of your need for leave, except in extraordinary circumstances. Failure to provide such notice may be grounds for delay of leave.

1.4 Medical Certification

If you are requesting leave because of your own or a covered relation’s serious health condition, you must supply appropriate medical certification from the relevant health care provider. When you request leave, the Company will notify you of the requirement for medical certification and when it is due (at least 15 days after you request leave). Failure to provide requested medical certification in a timely manner may result in denial of leave until it is provided.

The Company, at its expense, may require an examination by a second health care provider designated by the Company if it reasonably doubts the medical certification you initially provide. If the second health care provider’s opinion conflicts with the original medical certification, the Company, at its expense, may require a third, mutually agreeable, health care provider to conduct an examination and provide a final and binding opinion. The Company may require subsequent medical re-certification on a reasonable basis.
1.5 Eligibility

Employees (both part-time and full-time) are eligible for leave under this policy if they have worked for the Company for at least 12 months and for at least 1,250 hours in the last 12 months.

1.6 Leave is Unpaid

Family/medical leave is unpaid, although you may be eligible for short or long term disability payments and/or worker’s compensation benefits. If you request leave because of a birth, adoption, or foster care placement of a child, any accrued vacation leave and/or sick leave will be substituted for any unpaid family/medical leave. If you request leave because of your own serious health condition, any vacation and/or sick leave first will be substituted for any unpaid family/medical leave. This substitution of paid leave time for unpaid leave time does not extend the 12-week period for FMLA. Rather, use of accrued leave runs concurrently with the family/medical leave time taken.

1.7 Medical and Other Benefits

During an approved family/medical leave, the Company will maintain your health benefits as if you continued to be actively employed. If paid leave is substituted for unpaid family/medical leave, the Company will deduct your portion of the health plan premium (if applicable) as a regular payroll deduction. If your leave is unpaid, you must pay your portion of the premium. Your health care coverage will cease if your premium payment is more than 30 days late. If you elect not to return to work at the end of the leave period, you will be required to reimburse the Company for the cost of the premiums paid by the Company for maintaining coverage during your leave.

1.8 Intermittent and Reduced Schedule Leave

Leave because of a serious health condition may be taken intermittently (in separate blocks of time due to a single health condition) or on a reduced leave schedule (reducing the usual number of hours you work per workweek or workday) if medically necessary. If leave is unpaid, the Company will reduce your salary based on the amount of time actually worked.

1.9 Extended Leave for Serious Health Condition

Leave taken because of your own serious health condition may be extended on a month-to-month basis for a maximum of an additional 12 weeks upon: (1) written request to the Company; (2) proof that the serious health condition has continued; and (3) approval by the Company, which is subject to its business needs. If you do not return to work on the originally scheduled return date nor request in advance an extension of the agreed upon return date with appropriate documentation, you will be deemed to have voluntarily terminated your employment with the Company.

If you request an extension of your leave beyond the initial 12-week period, you must submit medical certification of your continued serious health condition in advance for each month that the leave is extended. Reinstatement is not guaranteed on an extended leave and will depend on the Company’s needs.

For further information on this policy, please contact the Human Resources Manager.
1.0 **Jury Duty**

Full-time employees on jury service or testifying as a subpoenaed witness in a judicial proceeding, while actively employed, shall be considered as being on an approved leave of absence. Employees may use accrued Annual Leave or will be granted leave without pay for authorized absences to serve as a juror or subpoenaed witness, up to a limit of two weeks per calendar year (including accumulated partial days).

In order for these absences to be considered authorized and potentially eligible for compensation, employees must:

- Obtain approval for the absence from their supervisor.
- Give the Company thirty days advance notice of an anticipated absence or as much advance notice as is practicable under the circumstances.
- Present the Company with a statement from the court verifying jury duty or subpoenaed testimony.

Employees excused from jury duty must report to work.

Should jury service, as a result of a prolonged case, extend beyond a two-week period, the employee shall be required to notify his or her supervisor of such extension to remain eligible for compensation and to continue notification at regular two-week intervals.

Initial notification of a jury service call or subpoena shall be made through the employee's supervisor to the Human Resources office. Upon completion of jury duty or subpoenaed testimony, the employee shall submit a court statement as verification to his/her supervisor, who will forward the verification to the Human Resources office.

Employees who attend court for only a portion of a regular workday are expected to report to their supervisor when excused or released by the court. In the event a holiday occurs during the period of employee’s jury duty, he/she will receive pay for the holiday.
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1.0 Military Leave of Absence

Yang Enterprises, Inc. will grant a short-term military leave of absence to full-time employees who have official orders requiring the participation in a training encampment, naval cruise, etc., upon the employee's presentation of such orders to the Human Resources Manager, provided the employee is considered actively employed immediately prior to commencement of such military training.

The Company will grant unpaid military leave of absence up to and including a maximum of thirty (30) days for special military training, standby alerts, or for riot or emergency duties without a break in continuous service upon presentation of satisfactory evidence that the employee must report for training or special temporary duty.

If the employee has a choice in timing his/her military training, he/she is expected to take leave at a time most convenient for the Company.

If the employee elects to use his/her annual leave time for military training requirements, annual leave pay will be paid for the annual leave period.

This policy shall not be construed to include call-up or activation for failure to meet military obligation by the National Guard or Reserves or for long-term military service such as required under the Selective Service Act. Time off from work for these reasons will be granted without pay in keeping with state and federal laws as amended.
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1.0 Leave Without Pay

Leave Without Pay (LWOP) for personal reasons may be granted by the immediate supervisor for a period not to exceed three (3) consecutive working days of unpaid absence within a calendar year. Should the employee require additional leave without pay for personal reasons within the twelve month period, the employee must submit in writing the amount of time requested and the reasons for the leave to the YEI Program Manager for approval. If the contract has no YEI Program Manager, then the requests must be given to the YEI Human Resources Director.

Employees granted such leave of absence by the above authority shall resume work on the first scheduled workday following the expiration date of the approved unpaid absence. In the event that the employee does not do so, he or she will be presumed to have resigned employment and shall be subject to loss of all seniority and related employment benefits.

Employees should refer to the Family and Medical Leave policy, Military Leave of Absence Policy, or other such relevant policies for those instances in which unpaid leave will be allowed.

Employees on LWOP will not accrue Personal Leave Time (PLT).

1.1 Basis for LWOP

The Company discourages employees from charging leave time to LWOP when the employee has positive personal leave balances; unless there are extenuating and approved circumstances. Unapproved use of LWOP may result in disciplinary action up to and including termination.

a. In situations where an employee has no alternative but to charge to LWOP, a request for LWOP must be made in advance in writing by the employee to the immediate supervisor. The request should outline in detail the starting and ending dates and reason(s) for the request. LWOP requests, up to a maximum of three days per calendar year, may be granted by an employee’s immediate supervisor. An LWOP request of more than three days per calendar year requires the approval of the YEI Program Manager for the respective contract. If the contract has no YEI Program Manager, then the requests must be given to the YEI Human Resources Director.

b. Approval of LWOP requests are at the sole discretion of YEI and are based upon the merits of the particular case, including consideration of staffing requirements, business impact and other relevant matters. All requests are subject to the limitations contained in this policy.
c. The following are examples of acceptable use of LWOP:

1. Pre-approved personal leave requests for new employees who negotiated time off from work before their personal or vacation leave time could be accrued for the requested time off from work. This may only occur within a new employee’s first six months of employment and will not count towards a disciplinary action as defined above.

2. Circumstantial emergencies where an employee does not have accrued personal or annual leave time. One instance per year will not count towards a disciplinary action; however, more than one will count towards future disciplinary action as defined below.

3. Medical Leave, Military Leave, or approved Family Medical Leave of absences.

d. Employees who fail to report his/her absence from work over an interval of three consecutive working days will be considered to have abandoned the job. The employee is separated from employment as a voluntary resignation due to job abandonment effective the last day of active service, and is ineligible for re-hire.

e. Excessive Use LWOP - Multiple LWOP requests during the year is discouraged. Employees who abuse the use of LWOP will face disciplinary action as follows:

<table>
<thead>
<tr>
<th>Number of LWOP Hours/Year</th>
<th>Disciplinary Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than 3 days</td>
<td>Verbal Warning</td>
</tr>
<tr>
<td>Greater than 5 days</td>
<td>Written Warning</td>
</tr>
<tr>
<td>Greater than 7 days</td>
<td>Termination of Employment</td>
</tr>
</tbody>
</table>
1.0 Educational Assistance

The Company encourages all full-time employees to increase their value to the Company by providing them with financial assistance for courses of study in subjects related to their current or probable future work assignment with YEI.

The employee will be reimbursed for tuition only (no fees, books, etc.) by the Company for approved courses at an institution accredited by the Southern Association of Colleges and Schools. Reimbursement per credit hour will not exceed Florida State University’s cost per credit hour for in-state residents. Reimbursement will be provided for courses taken for credit up to a maximum of six (6) semester hours per year at the following rates:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Reimbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>100%</td>
</tr>
<tr>
<td>B</td>
<td>None</td>
</tr>
</tbody>
</table>

Undergraduate

Graduate

The hours in which the course of study is scheduled should not conflict with the employee's scheduled working hours without prior approval.

Educational assistance is offered to all employees with at least one year of full-time service with the Company. The immediate supervisor shall encourage and provide assistance to employees who are interested in participating in an educational program.

To be eligible for financial assistance from the Company a course must also meet one of the following requirements:

- Directly relates to the employee's current work assignment or to a type of work to which the employee may be assigned in the normal course of events.
- Is needed by the employee for the position to which he/she may aspire within the Company.
- Relates to a well-defined objective, such as the attainment of a college degree, in a field usable and approved by the Company.

Employees seeking reimbursement for educational expenses must complete an Educational Assistance Repayment Agreement, YEI Form: 700-005A, by which the employee agrees to repay the Company in full if they leave voluntarily or are terminated within one year from the date of payment of the financial assistance.

At least 45 days prior to attending the first class of the course, an employee will submit a completed Educational Assistance Application, YEI Form: 700-005, with the school’s course description and tuition schedule; and an Educational Assistance Repayment Agreement, YEI Form: 700-005A to the Project Manager, plus the Human Resources Authority and Senior
Management Authority at the Corporate Office for approval. The application for assistance shall be approved or denied within 30 days after submittal.

To receive payment of the financial assistance the employee shall provide evidence of satisfactory course completion, together with a copy of the approved Educational Assistance Application and receipts for tuition payment within 30 days of the end of the course.

Employees who are terminated during enrollment because of a reduction in workforce or job elimination, or who are unable to complete an approved course because of transfer within the Company, will be reimbursed for the full amount of the tuition costs incurred up to the date of termination or transfer. Employees who, prior to completing an approved course, voluntarily leave the Company or are terminated for reasons other than those listed above will not be reimbursed for the tuition expenses associated with the course.

A record will be filed in the employee's personnel folder indicating all previous educational background and courses completed under this program (with grades) for review when the employee is considered for advancement.

The Company's policy is to fill vacancies from within the organization whenever possible. However, the fact that an employee utilizes the educational assistance program is not a guarantee that the employee will receive a transfer to another type of work or promotion to a higher level position, since many relevant factors other than education are considered for such decisions.

This policy does not provide financial assistance that would duplicate payment of specific items reimbursed or reimbursable to the employee under a state, federal, or other educational assistance program.

All financial assistance is subject to the availability of funding.
1.0 Professional Development through Meeting/Seminar Attendance

Yang Enterprises, Inc. encourages the professional development of employees through attendance and participation in approved meetings, seminars, etc., which are directly related to the Company's operations, activities and objectives and which will place employees in a position to improve their job performance.

In addition, the Company may provide reimbursement for attendance and participation in approved meetings, seminars, etc., when requested in writing by any customer, provided funding has been allocated.

To obtain approval, an employee must complete a “Meeting/Seminar Attendance” form, and obtain the required signatures in advance.
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1.0 Insurance

1.1 Health Care for You and Your Family

Yang Enterprises, Inc. provides all full-time employees with the opportunity to participate in a health care plan. Prescription drug, dental and vision care benefits are also provided under this plan. Insurance coverage for new employees begins the 1st of the month following 30 days of employment.

In order to fully understand your benefits and to avoid misunderstandings, you should read the plan booklet carefully and completely. Plan booklets are provided by the Human Resources manager to each employee participating in the plan.

In the event of any conflict between the descriptions in the plan booklet and the legal language of the plan document, the plan document will prevail. A copy of the plan document is available in the Human Resources department for your review.

If you have any questions concerning your coverage, contact the Human Resources department.

1.2 Dental Care for You and Your Family

Yang provides all full-time employees and their dependents with the opportunity to participate in a dental program.

1.3 Family Protection Life Insurance

The Company provides term life insurance for all full-time, non-represented employees. Additional coverage for employee, spouse and children is available for a premium paid by the employee. See the Human Resource manager for additional information.

1.4 Short-Term Disability

YEI provides all eligible employees short-term disability in order to provide an income if you become disabled due to a non-occupational illness or injury. See the plan booklet for full details regarding Short Term Disability. Further information is available from the Human Resources department.

1.5 Long-Term Disability

In order to protect against the interruption of income during long periods of disability, the Company provides, to all eligible employees, an insurance program to provide an income. Refer to your plan booklet for full details regarding Long Term Disability. Further information may be obtained from the Human Resources department.
1.6 **Worker's Compensation**

If an employee is eligible for Worker's Compensation benefits because of an occupational injury, the Human Resources department will assist in securing all benefits to which the employee is entitled. Worker's Compensation cases are subject to state regulations. Further information is available from the Human Resources department.

Each employee is requested to give the Company notice of occupational injury within 24 hours.

1.7 **Unemployment Insurance**

Each employee may be eligible for unemployment insurance if he/she becomes unemployed provided certain conditions are met.

The procedure for filing a claim is for the unemployed person to apply for benefits at the Unemployment Compensation office nearest him/her.

On some contracts, which are subject to the Service Contracts Act (SCA), insurance benefits may differ from those specified above in accordance with respective collective bargaining agreements.
1.0 Flexible Benefit Plan

The Company offers every eligible employee a plan of flexible compensation. Employees are eligible to participate in the Flexible Benefits Plan on their effective date of employment.

Each participating employee’s compensation is reduced for each pay period during the plan year to pay for one or more of the following benefits:

- Health/Vision Insurance
- Dental Insurance

This enables participating employees to have premiums paid from their pre-tax earnings rather than after-tax earnings, thereby increasing the take-home pay.

An employee’s initial benefit election can be changed or canceled for a subsequent plan year by providing written notice to the Company at least thirty (30) days prior to the first day of the new plan year. However, a benefit election cannot be changed during the plan year except for automatic adjustments or a change in family status (by reason of marriage, divorce, death of a spouse or child, birth or adoption of a child, or employment or termination of employment of a spouse) during a plan year.

Further information is available from the Human Resources department.
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1.0 **401 (k) Retirement Savings Plan (Non-Representative Plan)**

Full time employees of YEI who have attained the age of 18 years are eligible to participate in the YEI 401(K) retirement plan.

This plan allows employees to contribute “pre-tax” and “after-tax” dollars to a savings plan. It allows taxable income to be reduced during working years while a nest egg is built for tomorrow - to fund college expenses, to buy a new home, or to build a more inflation-proof retirement fund.

Employees may make pre-tax contributions of up to 18% of their base pay to the plan. YEI will match up to three (3%) percent of the employee’s contribution at $.50 on the dollar up to the first 6% employee contribution. Employee’s deferrals are always 100% vested. Employer contributions become fully vested after one (1) year of continuous service.

If employed to perform a Federal Contract, the employer’s contribution will also be fully vested in the event of contract termination, should that event occur prior to one (1) year of continuous service. A variety of investment options are available to accommodate the investment objectives of each employee.

For further information on the 401(k) Retirement Savings Plan, please contact Corporate Finance Manager.

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<tr>
<th>Number:</th>
<th>HR-0025</th>
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<tbody>
<tr>
<td>Issued:</td>
<td>02/01/01</td>
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<td>Effective:</td>
<td>02/01/01</td>
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<td>Revision:</td>
<td>001</td>
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**HR-0025 – 401 (K) RETIREMENT SAVINGS PLAN (NON-REPRESENTATIVE PLAN)**

Approval: E. Lowell Weaver, Vice President, Government Division
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1.0 Company Travel - General

It is the policy of the Company that travel performed in the course of conducting Company business must be approved in advance by the employee’s supervisor and such travel will be reimbursed according to the guidelines of this policy.

Employees holding jobs that require extensive travel will be expected to travel as a condition of employment. For all other jobs, travel is considered only an incidental function of the position.

Employees should provide their supervisor or department head with a copy of their itinerary before leaving on business travel.

It is recommended, for safety and security reasons, that key employees traveling at the same time, schedule separate transportation.

1.1 Non-Local Travel

Non-local (more than fifty mile radius of assigned work location) travel arrangements including reservations for commercial carrier, car rentals, lodging and per diem, are to be coordinated with, and approved in advance by, YEI’s corporate office. Reimbursement rates will be determined based on YEI policy or applicable governing documents. The per diem received for non-local travel may differ depending on the entity for which the travel is being performed. Details concerning the different per diem rates that may be applicable to various travel scenarios can be obtained from the Human Resources manager.

1.2 Local Business Travel

YEI will reimburse employees for use of their personal automobiles for local travel when such use has been authorized or requested. The rate of reimbursement will be on a per mile basis and will be determined based on YEI policy or applicable governing documents. Mileage relating to local business travel will be recorded by employees on their weekly time reports and approved by their supervisors. Travel between an employee’s home and permanent work location will not be reimbursed.

An Expense Report should be completed and submitted to the Office Manager at the end of each month.

2.0 Request for Travel Procedure

- Complete the Travel Request Form
- Submit the Travel Request Form to your immediate supervisor for approval and signature
- Forward a copy of the itinerary to your respective Office Manager
- The Office Manager will make all arrangements and reservations
- Printed tickets and/or reservations will be provided to the Traveler by the Officer Manager
• Within five (5) working days after employee returns, complete Travel Voucher. Attach all appropriate receipts verifying expenses. Remember to deduct any cash advance received to properly determine the exact amount of any reimbursement.
  - If the employee has an excess from the cash advance, the excess amount should be turned in with the Travel Voucher to the Office Manager.
• You must submit a copy of the approved Travel Request Form with the Travel Voucher for that trip. If the Travel Request Form is not included, the expense report will be returned for proper authorization.

3.0 Forms
 Copies of the following forms may be obtained from the Human Resources department.
• Travel Request Form
• Travel Voucher Form
• Expense Report Form
1.0 Reimbursable Expenses

1.1 Relocation

Based on the requirements of the position, relocation expenses may be authorized by YEI’s corporate office on a case-by-case basis. Reimbursable limitations will be established at the time such expenses are authorized. It is not usual practice to transfer non-exempt employees at Company expense, or transfer solely for the convenience of the employee.

If an employee resigns with less than one (1) year of service, all relocation expenses will be reimbursed to the Company. Employees must sign an agreement as a condition to the employment offer agreeing to this condition for employment.

The extent of the Company's commitment to reimburse the employee for the expenses of relocating must be understood and agreed upon when the employment or transfer is accepted. The terms of the agreement will be confirmed, in writing, by the Human Resources office.

1.2 Interview Expenses

Based on the requirements of the position, and on a case-by-case basis, interview expenses for applicant's travel from out of state, may be reimbursed for expenses incurred during the interview visit. This normally includes travel, meals, and lodging.

1.3 Other Necessary Expenses

Business related expenses, such as supplies and materials, may be incurred by employees in the performance of their duties. The cost of these items, when necessary and reasonable, will be reimbursed by YEI. When practicable, advance approval of such expenses should be obtained from a supervisor or the corporate office.

1.4 Reporting Expenses

Forms for claiming reimbursement and obtaining approval of the types of expenses enumerated above will be provided by employees’ supervisors or the corporate office. Claims for reimbursement should be submitted at the conclusion of travel or at the end of each pay period.
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1.0 Job Evaluation

Our Company does not overlook the importance of providing people with fair salaries, proper job training and the opportunity for advancement relative to ability, performance and experience.

The purpose of job evaluation is to ensure fair and equitable salaries according to job responsibilities and to be sure that each employee understands clearly what is expected in his/her particular job.

Starting wage/salary rates are mutually established at the time an employment offer is made/accepted. At the end of the conditional employment period, and at least once a year thereafter, each employee’s supervisor will evaluate and discuss with the employee an evaluation of performance achievements and future goals. Employee self-appraisals and inputs are expected and encouraged during these discussions. The results of these evaluations may form a basis for wage/salary increases.

1.1 Merit Salary Increases

Merit salary increases are not considered to be automatic but are to be earned and based upon satisfactory job performance. Evidence of satisfactory service must be reflected in the employee’s performance evaluation prior to approval of a merit increase.

Employee performance on the job is continually checked. Supervisors make periodic reports on employee's progress that become a permanent part of their personnel files. These files are referred to for salary reviews and when opportunities for promotion exist. They are also used as background material should supervisors feel the need to discuss improvements in an individual's work.

The quality of an employee's work, ability to get along with co-workers, job performance, attendance, and personal initiative are all measured for salary review or in a case where a promotion is being considered.

1.2 Promotions, Reassignments and Transfers

As employees gain experience with YEI and demonstrate commendable performance, and as YEI grows and obtains new business, opportunities for career advancement through promotions, reassignments and transfers are expected to occur. It is our policy, where feasible, to promote from within and offer reassignment or transfer opportunities first to existing employees who have demonstrated the ability and willingness to accept added responsibilities.

Promotions will be reflected by a change in title and may be accompanied by a wage/salary increase. Although promotions generally occur in conjunction with regularly scheduled performance reviews, they may occur independent of such actions based upon business need and individual qualifications. The amount of promotion increase, when granted, will vary depending on the employee’s performance, education, special training, physical or mental effort, responsibility, judgment and the working environment for the position.
An employee may be promoted to a job with a higher salary range after successfully meeting the requirements for the position. The employee's new salary shall be at least the minimum of the salary range for the new position.

An employee may be transferred to another department, with the same job classification and such transfer will not change the employee's salary or anniversary date.

Reassignments and/or transfers may occur based on new or changing business opportunities experienced by the company. Depending on the circumstances and customer requirements, reassignments and transfers may or may not result in compensation adjustments, depending on the position.
1.0 Accumulation of Seniority

New employees will be hired on a ninety (90) day probationary period. During this period, there are no seniority privileges. If an employee successfully completes his/her probationary period, he/she will become a regular full-time employee and credited with ninety (90) days seniority. Seniority will mean continuous employment at our Company beginning with the date on which the employee began work.

1.1 How Seniority Can Be Broken or Lost

- If an employee voluntarily resigns.
- If an employee is discharged or dismissed for cause.
- If an employee retires.
- If an employee fails to report to work and is absent without notification or acceptable excuse for a period of three (3) consecutive scheduled workdays.
- If an employee overstays his or her vacation leave without an excuse acceptable to management.
- If an employee gives a false reason for leave of absence or accepts employment elsewhere during a leave of absence.
- If an employee falsifies information on any pre-employment, post-employment personnel form, or security form.
- If an employee fails to report to work after being absent on Leave without Pay (LWOP).
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1.0 Non-Disciplinary Separation

Non-disciplinary separations and/or terminations from positions in the Company are designated as one of the following types:

- Resignation
- Retirement
- Disability
- Death
- Reduction in work force (Layoff)

1.1 Resignation

Resignation is the separation of an employee from the Company through the submittal of a notice that he/she wishes to resign. Employees wishing to leave the Company in good standing shall notify their immediate supervisor at least ten (10) working days before leaving. Failure to do so may be cause for denying such employee re-employment by the Company.

Unauthorized absences from work for a period of three (3) consecutive days may be considered as the employee's voluntary resignation.

1.2 Retirement

The retirement age shall be in accordance with the retirement age regulations. Employee’s benefits upon retirement shall be based upon the regulations of the retirement system that is in effect at the time. All employees shall be governed by retirement age regulations unless an extension is approved by the Company.

1.3 Disability

Disability is when you are unable to perform the duties of any gainful occupation for which you are reasonably fitted by education, training or experience.

1.4 Death

Separation shall be effective as of the date of death. All compensation and benefits due to the employee as of the effective date of separation shall be paid to the beneficiary, surviving spouse, or to the estate of the employee as determined by law or by executed forms in the employee’s personnel folder.

1.5 Reduction in Work Force (Layoff)

The Company may layoff an employee or employees when it is deemed necessary by shortage of funds or work, the abolition of the position, changes in the duties or organization, or for related reasons which are outside the employee's control and which do not reflect discredit upon the service of the employee. The duties performed by the employee laid off may be re-assigned to other employees already working who hold positions in appropriate classes.
1.6 Separation Procedures

Employees leaving the company will comply with the prevailing procedures which will be provided by the Human Resources department.

1.7 Final Paycheck

The final paycheck will be issued and mailed to the terminating employee at the next regularly scheduled date for paycheck distribution. If the employee has elected direct deposit, the final paycheck will be deposited in their account. Any monies owed to YEI pursuant to written agreements, or due to missing property or negative leave balances shall be deducted from the final paycheck. Alternative repayment arrangements shall be discussed and formally agreed upon in writing should the final paycheck not fully cover required deductions.
1.0 Substance Abuse / Drug Testing

The following information is to provide direction for implementing approved screening for the system presence of alcohol and drugs by delineating guidelines/requirements for testing of applicants and employees.

It describes the responsibility of Human Resources, Safety and Health Programs, managers and supervisors and their part to ensure compliance. This policy pertains to all YEI employees.

1.1 Drug Testing

The procedure for drug testing is for the purpose of determining the presence or absence of alcohol or a drug or its metabolites.

a. Periodic -- Testing that is done as part of a periodic (i.e., yearly) physical examination required by a job certification or federal regulations.

b. Post Accident -- Any employee involved in a vehicular accident or a work related injury that results in bodily injury requiring medical treatment and/or vehicular damage shall submit to drug testing, if so directed, within one hour of the incident or as soon as medical circumstances allow.

c. Random -- Employee selected from a random computer generated pool shall report, if so directed, to the collection site within a designated time period, not to exceed one hour.

d. Reasonable Cause/Suspension -- YEI has "reasonable cause" for substance testing when an employee's actions, appearance, or conduct suggest abnormal behavior. This may be based upon:

   • Observable phenomena while at work such as direct observation of drug use or physical symptoms or manifestation of being under the influence of a substance
   • Abnormal conduct or erratic behavior while at work, or significant deterioration in work performance
   • Evidence that an individual has tampered with a drug test during his/her employment
   • Information that an employee has caused or contributed to an accident while at work
   • Evidence that an employee used, possessed, sold, solicited, or transferred drugs while in a work status, while on the employer's premises or on any federal, or Company premises

2.0 Controlled Substances

Any substance, including its metabolites, as defined in Section 893.02 (4) Florida Statutes and USDOT regulations 49 C.F.R. subsection 40.21(a). For purposes of controlled substances testing, this term means the following drugs and their metabolites:

   • Amphetamines
   • Cannabinoids (Marijuana) (THC)
   • Phencyclidine (PCP)
3.0 **Reasonable Suspicion/Cause Testing Requirements**

Employees are subject to drug/alcohol testing when their behavior creates a reasonable suspicion of being under the influence of drugs or alcohol. The employee must be witnessed by two managers for validation before employee submits to test.

4.0 **Medical Treatment**

Treatment of injuries by physicians or registered professional personnel for other than first aid treatment (one-time treatment and observation of minor scratches, cuts, burns, splinters, etc. which do not ordinarily require medical care). Examples of medical treatment include treatment of infection, removal of foreign bodies, sutures (stitches), use of prescription medication, second or third degree burn, positive x-ray findings (fracture, etc.).

5.0 **Responsibility**

Human Resources shall:

- Ensure compliance with all provisions and procedures directed by this policy
- Maintain testing results in accordance with this policy
- Provide notification and reports of results of post accident/injury testing to the appropriate officials

YEI Management shall:

- Ensure compliance in their functional areas within the policies and requirements directed by this procedure
- Ensure that supervisory personnel are knowledgeable of the provisions of this policy and that they comply with its enforcement
- Ensure that supervisors receive training and instruction for the recognition signs, symptoms, and behavior patterns associated with the use of alcohol and drugs

Supervisors shall:

- Ensure that all employees understand and comply with the provisions of this procedure
- Be knowledgeable in the recognition of the objective signs, symptoms, and behavior associated with alcohol and drug use
- Ensure that the selected employee reports to the collection site for a random drug test within the one hour time period
- Ensure that any employee who is involved in a vehicular accident or job related injury involving medical treatment, receives medical attention as the first priority, then is directed to report for post accident drug testing within the one hour time period or as soon thereafter as medically appropriate
- Accompany any employee that is impaired or suspected to be impaired, either by substance abuse and/or any injury, to the designated medical clinic and then to the drug testing site
- In the case of "reasonable suspicion", document in writing the circumstances which formed the basis of the determination that the "reasonable cause/suspicion" existed to warrant drug testing. Documentation is to be confidential and is to be maintained by the employer for a period of at least one-year. Where reasonably feasible, the employee must
be witnessed by another manager for validation of reasonable cause before employee is directed for testing.

Employees shall:

- Cooperate/comply with the prescribed testing procedures and execute a release of drug test information to the employer
- Acknowledge his/her receipt of the YEI Substance Abuse / Drug Testing policy
- Comply with the policies and training requirements directed by this procedure
- Agree to notify YEI of any conviction of a drug-related offense within five (5) days of the conviction
- Upon receiving notification for "random" drug testing, report to the drug testing location within the designated one hour time period, if so directed
- Report all vehicular accidents and on the job injuries to their supervisor as soon as possible after the incident
- Ensure that if involved in a vehicular accident or job related injury, they receive medical attention as the first priority, then, if so directed, report for post accident drug test within the one-hour period
- Cooperate/comply with the prescribed testing procedures and execute a release of drug test information to the employer
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1.0 Disciplinary Action

The purpose of disciplinary action for violation of the rules is to ensure the rights of all and secure cooperation and orderliness throughout the Company.

In recognition of the fact that each instance differs in many respects, the Company retains the right to treat each occurrence on an individual basis without creating a precedent for other cases that may arise in the future. While the Company generally adheres to a policy of progressive discipline, since each instance differs, the following rules and regulations are not to be construed as a limitation upon the retained rights of the Company, but merely as a guide. In any particular case, the disciplinary action taken may be more or less severe and/or include other action, depending on the circumstances.

The procedures recommended for disciplinary action are divided into three steps to reflect degrees of severity of offenses. In each group and for each rule, consideration will be given to the severity of the offense, the cost involved, the time interval between violations, the length and quality of service records, and the ability of the employee concerned.

Disciplinary action for represented employees shall be conducted in accordance with the applicable collective bargaining agreement.

1.1 Procedure

The recommended procedure and a guide for standard penalties are as follows:

First Offense: Verbal Warning
Second Offense: Written Warning and Suspension
Third Offense: Dismissal/Termination

All offenses and the action taken, including oral reprimands, will be documented on the “Notice of Employee Action” form and placed in the employee’s personnel file.

Employees are required to acknowledge receipt of a written reprimand or discharge by signing the notice. (Note: Signing does not constitute admission of guilt/wrongdoing).

Whenever employee performance, attitude, work habits, or personal conduct at the time fall below an acceptable level, supervisors shall inform employees promptly and specifically of such lapses and give counsel and assistance. If appropriate and justified, a reasonable period of time for improvement may be allowed before initiating disciplinary measures.

In situations where an oral warning has not resulted in the expected improvement, a written reprimand shall be issued defining the nature of the infraction. The written reprimand will be sent to the employee and a copy shall be placed in the employee’s personnel file. The manager/supervisor usually writes the written reprimand with assistance from the Human Resources manager.
1.2 Unacceptable Conduct

Examples of different types of offenses may include, but are not limited to:

- Violation of Company policy
- Productivity not up to required standards of performance
- Habitual failure to record time correctly on timecard
- Chronic absenteeism, repeated tardiness, unexcused absences, abuse of sick leave privileges, or failure to notify supervision promptly when unable to report to work
- Outside employment or other outside activity not compatible with the full and proper discharge of the employee’s position with the Company
- Acceptance of anything of monetary value from supplier, customer, other contractors or prospective contractors, or their representatives that violates YEI’s Conflict of Interest policy
- Using, disseminating, or permitting the use of any privileged or confidential information acquired during employment with the Company or in the work for the Company’s customers for personal gain or other improper use
- Violation of Company approved procedures for accomplishing work
- Willful neglect in the performance of assigned duties
- Deliberate misusing, destroying, or damaging any Company-owned property, or otherwise, which is located on the premise where employed
- Theft or removal of Company or customer property from employment locations without proper authorization
- Unlawful or improper conduct on Government or Company controlled property which would tend to affect the employee’s relationship to his/her job, fellow workers, reputation or goodwill in the Company
- Incompetence or inefficiency in the performance of assigned duties in an employee’s position
- Fighting, practical jokes or horseplay
- Using threatening, abusive or profane language
- Gambling
- Sleeping on the job
- Insubordination
- Immoral conduct

1.2.1 Acts of Discrimination or Sexual Harassment

- Sexual harassment
- Acts of discrimination based upon race, creed, color, religion, gender, age, ethnicity, or disability
- Act of retaliation against an employee in connection with complaints or discrimination
- No acts of discrimination or harassment will be tolerated. All conduct will comply with Federal, State, and Local laws.

1.2.2 Regulations

- Violation of Safety or Security policies, rules, and regulations
- Disclosure of classified or confidential matter or information to unauthorized persons
• Failure to observe the established regulations regarding the protection of classified or confidential matter or information against accidental or deliberate disclosure to unauthorized persons
• Lending, borrowing, or altering a security identification device (such as a badge)
• Unauthorized entry into restricted areas or allowing unauthorized individuals into restricted areas
• Possessing firearms, explosives, cameras, special viewing devices, or radio transmitters on Government or Company controlled property without the proper permits
• Convictions or misdemeanor offenses not compatible with the full and proper discharge of the employee’s position with the Company
• Refusal to permit the search of packages, lunch containers, briefcases, purses, etc., upon request of authorized individuals

1.2.3 Misuse of Government or Company Property and Funds

• Misuse or unauthorized use of Government or Company controlled property, material, equipment, funds, or other property including scrap or salvage
• Misuse, loss, theft, or unauthorized modification of Company or Government computer systems, programs, or data bases. This includes hardware, software, communications links and computer time
• Working on unauthorized projects on Government or Company controlled premises
• Performing any rework, repair, or modification on any materials or items without the proper authorization
• Removal of Quality status stamps, ages, or documents, and/or the use of any materials or parts that have been rejected by Quality
• Using Company time for non-Company matters
• Using equipment, tools, stationary, or official vehicles for personal purposes
• Misusing or abusing telecommunications equipment or services.
• Misappropriating materials, funds, or services by falsifying such documents as timecards, travel invoices, purchase orders, etc., or by any other direct or indirect means

1.2.4 Conduct that Warrants Immediate Discharge

The following infractions will normally be considered grounds for immediate discharge:

• Violence in the workplace including verbal threats toward and physical contact with another person.
• Failure to report Company or Government vehicle accidents promptly and properly
• Theft, including unauthorized use or removal, of Company, Government, or a fellow employee’s property
• Engaging in or fostering espionage, sabotage or other criminal activity
• Selling, or offering for sale, illegal drugs
• Refusing to take or testing positive on a drug test
• Refusing to take blood alcohol and/or alcohol breathalyzer test, or test results that reveal whether an employee is intoxicated as defined by state law
• Possessing, using, or being under the influence of illegal drugs or alcohol or when trying to enter Government or Company controlled property. This prohibition does not apply
when such drugs are prescribed or administered by a licensed physician and use does not impact performance of job duties.

- Falsification of operational data, personnel Security Questionnaire forms, or any other Company records.
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1.0 Exit Interviews

The purpose and intent of the Exit Interview is to provide management with information as to why and in what areas employees may be dissatisfied with their jobs. This information may, in turn, improve our system, and keep our turnover rate low.

Our Company will always make a reasonable effort to retain good employees who appear to be resigning due to reasons which might be corrected. When an employee announces his/her intention to resign, immediate steps should be taken to determine the cause; and, where possible and desirable, correct the situation in order to retain the employee.

When an employee wishes to resign because of illness or for personal reasons, the possibility of a leave of absence should be explored if the employee has a good work record.

1.1 Benefits

Employees who are terminated should be advised of the following supplementary compensation benefits:

- Health insurance will cease on the last day of the month in which the employee terminates. Information about the availability of continued benefits will be provided to employees and eligible dependents covered by the plan at the time of termination.
- Dental insurance will cease on the last day of the month in which the employee terminates. Continuation information will be provided to employees and eligible dependents covered by the plan at the time of termination.
- Group Life insurance will end on the last day of active employment.
- Short-term disability insurance will cease with the last day of active employment.
- Long-term disability insurance will cease with the last day of active employment.
- Unused vacation leave will be reimbursed, but the employee will accrue no vacation leave in the pay period in which the employee terminates.
- 401 (k) Retirement Savings Plan - Information will be provided regarding disbursement of vested funds.
- Unemployment Insurance - If appropriate, information will be provided regarding the filing of an unemployment claim.
- Educational reimbursement - if employee is terminated or leaves voluntarily 1 year or less from the date of payment for tuition, the employee must repay the cost back to the company.
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1.0 Complaints

A clear and open channel for the expression of employee suggestions and complaints is a fundamental principle of sound employee relations. Therefore, each employee should be encouraged to talk with his/her supervisor about any problem, complaint, or suggestion that might arise concerning his/her work.

1.1 Procedure

The employee should talk about his/her problem or suggestion with his/her immediate supervisor and the supervisor is given the first opportunity to act on the suggestion or to settle the complaint. It should then be made clear to the employee that if he/she is not fully satisfied with his/her supervisor’s decision, or if there is any uncertainty in his/her mind, he/she is at liberty to take his/her problem to the department supervisor.

When an employee’s complaint moves beyond the immediate supervisor, it is suggested that the complaint be written to memorialize the employee’s version of the facts of the matter. This will also help to assure that those to whom the case is appealed are considering the same problem that was presented to the immediate supervisor.

Should the immediate supervisor make an error and his/her decision has to be reversed, the department supervisor should review the facts with him/her, explain the situation and the reason why a different decision is necessary, and then encourage him/her to make the reversal himself/herself.

If the employee’s complaint or suggestion is still not settled to the employee’s satisfaction, the employee may take his/her complaint or suggestion to the Human Resources Manager for an appeal.

Speedy handling of complaints is a vital part of managing people. When a complaint is presented, quick attention and quick action in getting to the bottom of the matter, followed by prompt communication with the employee, will greatly enhance the success of the process.
1.0 Personnel Records and Reports

It is the policy of the Company to maintain personnel records for applicants, employees, and past employees in order to document employment related decisions, evaluate and assess policies and comply with government record keeping and reporting requirements.

a. The Company strives to balance its need to obtain, use, and retain employment information with each individual’s right to privacy. To this end, YEI will restrict the personnel information maintained to that which is necessary in order to effectively conduct its business or to that which is required by federal, state, or local law.

b. The Human Resources department is responsible for overseeing the record keeping for all personnel information and should specify how and what information is to be collected and how it is to be sorted and secured.

c. Employees have a responsibility to make sure their personnel records are up to date and should notify the Human Resources department in writing of any changes in at least the following:

1. Name
2. Address
3. Telephone
4. Marital status (for benefits and tax withholding purposes only)
5. Number of dependents
6. Addresses and telephone numbers of dependents and spouse or former spouse (for insurance purposes only)
7. Beneficiary designations for any of the Company’s insurance, disability, pension, and profit sharing plans
8. Persons to be notified in case of emergency

Employees should be aware of the importance of keeping their personnel records current. This means immediately notifying the Human Resources department of any changes such as change of address (even if temporary), change of telephone number, change of beneficiary, number of dependents, divorce, marriage, or any change of status not previously reported. This is the responsibility of the employee and failure to comply may result in loss of employee benefits.

The Human Resources department is responsible for establishing and maintaining a comprehensive central personnel records of all employees.

All personnel records of employees of the Company shall be considered confidential and the property of the Company. Generally, only supervisors and management personnel of the Company who have a legitimate reason to review a particular personnel file are allowed to do so.
Employees who wish to review their own file should make an appointment with Human Resources.

In addition, employees who have a change in the number of dependents or marital status must complete a new Form W-4 for income tax withholding purposes within ten days of the change if the change results in a decrease in the number of dependents.

The Human Resources department should be informed of any special training courses or education completed by employee. Copies of diplomas or certificates will be forwarded to become a permanent addition to the employee’s personnel file.
1.0 General

The establishment and maintenance of a secure workplace requires the awareness and active compliance of all employees. This document covers overall corporate requirements that apply to all locations/contracts where YEI employees perform work.

2.0 Facility Security Officer (FSO)

The corporation has appointed a Facility Security Officer (FSO) who has been cleared as part of the corporate Facility Clearance (FCL) process. The FSO is responsible for assuring that all designated forms relative to the FCL are executed, submitted, and tracked. Included is the processing of all Key Management Personnel for personnel Clearances.

The FSO will report all adverse information and changes in status of cleared corporate employees to the cognizant security agency.

The FSO supervises and directs security measures necessary for implementing the National Industrial Security Operating Manual (NISPOM) and the related Federal requirements for classified information.

3.0 Corporate Facility Security

Rules and procedures governing security measures for the YEI corporate facility shall be established and communicated in writing to all corporate employees. Each employee is responsible for compliance with said measures.

All personnel entering the corporate facility will abide by the following policy regarding personal equipment and visitor access. The employee manning the reception desk will inform visitors and assure the policy is carried out.

3.1 Personal Equipment

Unless specifically authorized on a case by case basis, no personal or non-corporate owned electronic communication or photographic devices are allowed in the facility work areas. This prohibition applies to employees, visitors, and customers alike. Anyone signing in at the front desk that plans to leave the lobby will turn in any such device to the Office Manager for the duration of his/her visit. Devices included in this provision include Cellular Phones, Pagers, Recorders, Two Way Radios, Cameras, Scanning Devices, Portable Computers, Personal Software and Floppy Diskettes. In addition, the use of YEI computers for non-business purposes or the loading of personal software on company owned computers is strictly forbidden unless permission is received from Configuration Management or other authorized personnel.

3.2 Visitor Access

Visitors are not allowed in any of our work areas unless prior management approval is obtained based on a specific need. Visitors include customers, vendors, subcontractors, interviewees, and any others not employed by YEI. Access will be restricted to the lobby and the conference rooms only. Visitors may only use the first floor bathrooms.
4.0 Contract Location Security

Security policies and procedures for YEI employees at locations other than the corporate facility will be developed and implemented in accordance with the governing customer or agency requirements in existence.

Each YEI project manager will obtain specific requirements from the customer’s security representative and develop a security policy that addresses these requirements. Where justified, a contract security representative may be appointed to develop and administer the security program.

On contracts where there is no on-site project manager and YEI employees report directly to a customer representative, each employee is responsible to become aware of and comply with all existing customer security policies.

All security policies and procedures will be coordinated with and approved by the YEI Facility Security Officer prior to implementation.
1.0 Cell Phone Use - General

The purpose and intent of this policy is to provide direction to all employees for the use of cellular phones (including hands free phones) while operating vehicles or equipment.

2.0 Definition

For the intent of this policy, “hands free” cellular phones are defined as speakerphones or cellular phones that operate with a headset.

3.0 Procedures

The use of all cellular phones of any kind whether company or government issued or personally owned is prohibited by all personnel driving company, government, or personal vehicles or equipment at any work location.

The same rule applies to any YEI employee driving a company, government or personal vehicle anywhere in the performance of company business.

If it is necessary to use a cellular phone while operating a vehicle or equipment, the employee must safely pull off the road before using the phone.
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1.0 General

Computer viruses, which cause a great deal of loss of business and investment, can be caught and spread through E-mail. The following policies apply to E-mail usage:

a. Do not open any E-mail attachment from an unknown or non-business related sender
b. Do not open E-mail from any former YEI employees
c. Do not open any personal, non-work related E-mail, especially attachments
d. Do not open any E-mail attachment (i.e., with a .exe, .com, or .vbs extension) that looks like it could be a virus, even if you know that it is from a business-related sender. Instead, consult Network Administrator and they will make a determination if the file is safe to open. Please note that a URL (e.g., www.yangenterprises.com) is not sent as an attachment but is instead in the body of an E-mail message.

2.0 Disciplinary Steps

If an employee intentionally opens and/or spreads a computer virus, he/she will be terminated immediately and held liable for all damages to the business. If an employee follows the policies listed above and still happens to open and spread a virus, he/she will have all network access privileges removed and may be held liable for damages to the business, depending on the level of severity.
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HR-0039 – DEFINITION OF TERMS

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Approval: E. Lowell Weaver, Vice President, Government Division

1.0 Definition of Terms

Anniversary Date - The date an employee begins employment and the same date in the following years.

Appeal - An application for review of a disciplinary action submitted or instituted by an employee.

Applicant - An individual who has completed and submitted an application for employment with the Company in response to an advertised position.

Appointment - The offer to and acceptance by a person of a position either on a regular or temporary basis.

Class - A group of positions, which are sufficiently alike in general duties and responsibilities to warrant the use of the same title, class specifications, and pay range.

Classification - The act of grouping positions in classes with regard to: duties and responsibilities, requirements as to education, knowledge, experience and ability, and ranges of pay.

Class Description - A written description of a class consisting of a class title, a general statement of the level of work and of the distinguishing features of work, examples of duties, and the qualifications for the class.

Compensation - The standard rates of pay which have been established for the respective classes of work, as set forth in the compensation plan.

Compensation Plan - The official schedule of assigning rates of pay to each class title.

Continuing Basis - Maintain indefinitely without interruption.

Contractor/Consultant - An individual who provides professional services for a limited time period.

Controlled Substances - Any substance, including its metabolites, as defined in Section 893.02 (4) Florida Statutes and USDOT regulations 49 C.F.R. subsection 40.21(a)

Demotion - Assignment of an employee from one class to another which has a lower range of pay and lesser responsibilities.

Dismissal - Separation from employment for cause.

Drug Testing - Any chemical, biological, or physical analysis administered by a laboratory certified by the United States Department of Health and Human Services, for the purpose of determining the presence or absence of alcohol or a drug or its metabolites.

Eligible - A person who has successfully met required qualifications for a particular class of employment.

Eligible List - An employment, promotional or other list of qualified applicants.
Employee - Employee includes all YEI employees.

Examination - The process of testing or evaluating the qualifications of applicants and employees.

Exempt Employee - An employee who is exempt from the minimum wage and overtime provisions of the Fair Labor Standards Act and any applicable state or local law.

Full-Time - Those employees who are scheduled to work at least 40 hours per week.

Illegal Drugs - Drugs that are not legally obtainable or prescription drugs which are not prescribed in your name or which are not used in accordance with a valid prescription.

Immediate Family - Includes spouse, children (natural & adopted) parents, brother, sister, and any blood relative actually residing with the employee.

Job Analysis - A study of the duties and responsibilities of the position.

Job Description - A written description of class specifications and the characteristics of a position.

Layoff - A reduction of the number of employees due to lack of work, funds, or similar causes.

Leave - An approved type of absence from work as provided in the Company's policies.

Legal Drugs - Prescribed drugs that have been legally obtained, over-the-counter drugs, alcohol within legal limits.

Medical Treatment - Treatment of injuries by physicians or registered professional personnel for other than first aid treatment (one-time treatment and observation of minor scratches, cuts, burns, splinters, etc. which do not ordinarily require medical care).

Merit Pay Increase - An increase in compensation established in the compensation plan which may be granted to an employee based on job performance.

Non-Exempt Employee - An employee who is subject to the minimum wage and overtime provisions of the Fair Labor Standards Act and any applicable state or local laws. Non-exempt employees are entitled to overtime pay.

Officer - The President and Vice President.

Overtime - Authorized time worked in excess of scheduled work periods for non-exempt employees.

Part-time - Those employees who are scheduled to work less than 30 hours per week.

Pay-Range - The salary range which is assigned to a particular classification title.

Pay Rate - A specific dollar amount, expressed as an hourly rate.

Performance Evaluation - A report relative to the job performance and capability of an employee made by immediate supervisor.

Position - A group of current duties and responsibilities assigned requiring the full-time or part-time employment of one person. This relates to the duties performed and not to the employee performing those duties.
**Probationary Period** - A period of time provided to allow the department supervisor an opportunity to evaluate an employee's performance and ability, and to decide whether the employee is to be retained.

**Promotion** - Reassignment of an employee from one class to another which has a higher range of pay.

**Reasonable Suspicion** - Employees are subject to drug/alcohol testing when their behavior creates a reasonable suspicion of being under the influence of drugs or alcohol.

**Reclassification** - An action which results from a noticeable change in the work assignments of an employee's position. In this type of action, the classification title of the position is changed and the pay range of such new title is then used.

**Reinstatement** - Rehiring of a former employee who resigned in good standing.

**Resignation** - Act of voluntarily withdrawing from the Company's employment.

**Retirement** - Whenever an employee meets the conditions set forth in the Retirement Plan regulations.

**Termination** - Separation of an employee from the Company.

**Transfer** - The action in which the employee moves from one position to another position within the companies, with no resulting title or pay change.

**Work Day** - Scheduled number of hours an employee is required to work per day.

**Workweek** - Number of hours regularly scheduled to be worked during any seven (7) consecutive days.
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1.0 Purpose

The purpose of this addendum is to recognize some policies which are either not contained in the manual as a whole or are in conflict with current Yang Enterprises, Inc. Policies and Procedures. This addendum is not meant to be a complete listing, but merely a reference. The following is a brief list of laws which the Company wishes to recognize, followed by specific policies which have been revised to include specific information for those working on the Arecibo contract. Employees and supervisors should contact the Human Resources Department for more information, if necessary.

1.1 The Working Mother’s Act and Lactation Law

Yang Enterprises, Inc. provides full-time employees with eight (8) weeks of maternity leave at full pay commencing on the day requested for the leave in accordance with the Working Mother’s Act of 1942. The eight (8) weeks shall encompass the four (4) weeks prior to and the four (4) weeks after the birth (or other qualifying event).

Employees who opt to breast-feed their newborn children will be entitled to up to one (1) hour, which can be divided into two (2) half hours or three (3) periods of twenty (20) minutes each, within each full working day, to extract breast milk.

If you have any questions concerning your coverage, contact the Human Resources Department.

1.2 Social Security Bureau for Chauffeurs and Other Employed Persons Act

In accordance with all rules and regulations in regards to the Social Security Bureau for Chauffeurs and Other Employed Persons Act of 1950, applicable deductions/payments may be made. Please contact Human Resources for more information.

1.3 Disability

All rules and regulations in regards to Puerto Rico Disability Act Number 139 of 1968 will be followed when applicable.

1.4 Social Welfare Reform Act

In accordance with the Social Welfare Reform Act (Personal Responsibility and Work Opportunity Reconciliation Act of 1996), Yang Enterprises, Inc. must provide employees’ personal and employment-related information to the Child Support Administration (ASUME).

Those employees with questions or in need of additional information about the Social Welfare Reform act may contact the Human Resources Department.
1.5  **Rest Periods and Meal Breaks**

For the mutual convenience of Yang Enterprises, Inc. and its employees, a period of not less than thirty (30) minutes has been established for meal periods.

In the event Yang Enterprises, Inc. requires an employee to work overtime, he/she shall be entitled to a second food consumption period so that he/she won’t have to work more than five (5) consecutive hours without having a food consumption period. If an employee does not work more than two (2) hours, the law allows for this period to be overlooked, as per agreement.

1.6  **Insurance**

The Company, as a member of the Arecibo Observatory Management Team (AOMT), will be participating in the AOMT designated insurance plan. For a complete list of benefits offered on this contract, please contact the Corporate Finance Manager or Human Resources.

1.7  **Flexible Benefit Plan**

The Company, as a member of the Arecibo Observatory Management Team (AOMT), will be participating in the AOMT designated insurance plan. For a complete list of benefits offered on this contract, please contact the Corporate Finance Manager or Human Resources.
1.0 Dress Code

It is the policy of the Company that each employee's dress, grooming, and personal hygiene should be appropriate to the work situation.

a. Employees are expected at all times to present a professional, business-like image to customers, prospects and the public. Favorable personal appearance is an ongoing requirement of employment with the Company.

b. The personal appearance of office workers and any employees who have regular contact with the public is to be governed by the following standards:

1. Employees are expected to dress in a manner that is normally acceptable in similar business establishments. At a minimum, males are to wear clean, pressed shirts and slacks; females are to wear dresses, skirts, slacks, and blouse (short, tight skirts are unacceptable). At no time during normal working hours are employees permitted to wear jeans, tennis shoes, or sandals.

2. Hair should be clean, combed, and neatly trimmed or arranged.

c. The personal appearance of employees who do not regularly meet the public is to be governed by the requirements of safety and comfort, but should still be as neat and business-like as working conditions permit.

d. Certain employees may be required to meet special dress, grooming, and/or hygiene standards depending on the nature of their job and the governing regulations in place.

e. Certain employees may be issued uniforms by the Company. Those employees will be responsible to maintain the issued uniforms in compliance with these provisions, including care of the uniforms. Uniforms will be kept in a neat and orderly fashion as they are the property of the Company. Transfer or use of the uniforms by another individual is strictly prohibited. All uniforms will be required to be returned to the Company for replacement or at the conclusion of the individuals employment with the Company.

f. Any employee who does not meet the standards of the policy will be required to take corrective action, which may include leaving the premises. Any work time missed because of failure to comply with this policy will not be compensated, and repeated violations of this policy will be cause for disciplinary action.

1.1 Maintenance of Work Areas

It is the policy of the Company that work areas are to be kept clean and orderly at all times.

a. All employees are responsible for maintaining their work areas in a clean and orderly fashion at all times. To fulfill this responsibility, each employee should, at a minimum, do the following:

1. Prior to the end of the workday, clean and store all tools and equipment and properly secure any items, papers, or information of value.
2. Employee areas are to be kept free of food and related litter.

3. Place coats, boots, umbrellas, and other items of clothing in designated areas so that work stations are not unnecessarily cluttered.

b. Supervisors are responsible for making sure that their employees maintain their work areas in accordance with the requirements of this policy. Each supervisor should:

1. Make sure that aisles, floors, stairwells, and walls are free of debris and other unnecessary items.

2. Monitor the facilities and equipment and issue maintenance requests where appropriate.

3. Arrange for the removal of any items from the workplace that are not needed for the flow of business or the comfort and enhancement of employees.

4. Report to the Human Resources office any existing or potential workplace hazards.

5. Ensure that all trash, waste, and scrap are properly disposed.
1.0       Annual Sick Leave

The Company provides annual sick leave with pay for all full-time and most part-time employees.

1.1       Rate of Earning

In accordance with “Puerto Rico Sick Leave Law”, Act No. 180, 1998 and to the update as found in Act 251, annual sick leave shall be calculated and accrued bi-weekly from the date of employment as an employee must work at least five and half (5.5) hours a day, twenty eight (28) hours a week, or at least one hundred fifteen (115) hours a month.

An employee who satisfies the above requirements will be eligible for up to twelve (12) days of sick leave per year.

Usage of the sick leave shall follow the same process as defined in HR-0015.
1.0 Annual Leave (Vacation)

The Company provides annual leave with pay for all full-time and part-time employees. Annual leave benefits for full-time employees are based upon length of continuous employment.

1.1 Rate of Earning

In accordance with “Puerto Rico Sick Leave Law”, Act No. 180, 1998 and to the update as found in Act 251, the annual leave shall be calculated and accrued bi-weekly from the date of employment as an employee must work at least eight (8) hours a day, thirty two (32) hours a week, or at least one hundred thirty (130) hours a month.

An employee who satisfies the above requirements will be eligible for up to fifteen (15) days of annual leave per year.

Advanced approval of leave should normally be obtained at least two weeks before it is planned to be taken. YEI will make every effort to approve leave at the time the employee desires to take it, although there may be times when contract or project schedules necessitate that it be taken at other times.

Each employee may carry-over up to twenty (20) days (one hundred sixty (160) hours) of accrued leave at the end of each calendar year. Accrued, unused leave will be paid at the employee’s rate of pay at the time of employment discontinuance. Full-time employees who work under 40 hours per week shall earn annual leave time in proportion to the amount of the time scheduled to work.

If the employee is not afforded the opportunity to use all of his/her annual leave, the excess shall be placed in the employee's annual leave account, not to exceed a maximum of 160 hours. Employees must use at least five (5) days of annual leave per year.

The Company will suspend the accrual of additional annual leave once an employee reaches the maximum of 160 hours. The Company has established the “Use it or lose it policy”.

Earned annual leave time shall be scheduled and charged to the employee for the actual time the employee is away from work. Unearned or advanced use of annual leave time is not authorized.

Holidays which occur during the period selected by the employee for annual leave shall not be charged against such annual leave. However, the holiday will be charged against holiday leave regularly due the employee.

Should an employee be hospitalized during an annual leave period, annual leave will not be charged against the period of hospitalization.

Annual leave may be scheduled at any time during the year, with consideration being given to both the desires of the employee and the efficient operation of the Company. Employees are urged to inform their supervisor of their desired annual leave as far in advance of the desired date as possible. Annual leave may be taken only after approval by the appropriate department.
supervisor, but every employee shall be encouraged to take his or her allotted leave during the year.

An employee who resigns or whose services are terminated will be compensated for accrued leave based upon his/her salary at the time of termination. Annual leave is not accrued for the pay period in which an employee is terminated. No other pay in lieu of annual leave is authorized.

1.2 Recordkeeping

The employee will code the leave on his/her timecard as annual leave.
1.0 Holidays

Yang Enterprises, Inc. will provide full-time non-represented employees with ten (10) paid holidays each year. The following holidays are observed:

- New Years Day
- Three Kings Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Veteran’s Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Day
- *Floating Holiday

*The Floating Holiday may be observed on the day before or after Christmas, New Year’s Eve Day, or another designated Puerto Rico holiday selected by management. These holidays will be published annually in the Company’s calendar and are subject to change depending on the calendar year.*

Due to contractual obligations, the Company will provide the choice for employees working at customer’s facilities to substitute holidays. This will provide the flexibility for the Company to support customers on all holidays. Holidays cannot be carried over if unused.

All full-time employees will receive time off with pay computed at their regular rate of pay for each of the holidays earned. All part-time employees who work over 20 hours will receive time off with pay based on the average hours worked in the preceding pay period prior to the holiday. (i.e. if an employee works 20 hours the week before a holiday, that employee will receive 4 hours of holiday).

An employee must be on active pay status in order to qualify for the holiday time.

1.1 Holiday on Scheduled Work Day

If any non-exempt employee’s regularly scheduled work day falls on a holiday, and the employee is required to work by the supervisor, he or she will receive holiday pay plus pay at direct time rate for the number of hours worked on that day. This policy applies to regular holidays.

Exempt employees who are required to work on the observed holiday will be paid for hours worked at management discretion in addition to holiday pay compensation at a straight time rate. Prior written authorization is required.
1.2  **Holiday on Leave Day**

Employees on vacation leave, jury duty, sick leave, or military leave must use the holiday on the same day that it is earned.

An employee who is scheduled to work on the day observed as a holiday and reports sick will be charged with the holiday time for that day.

1.3  **Customer Holidays**

Where a customer observes holidays different from those listed above, the customer's holidays may be observed instead of the listed holidays upon prior arrangement by and approval of the officers of the Company.

1.4  **Record Keeping**

The employee will code the holiday on his/her timecard as holiday leave.
1.0 Cell Phone Use - General

The purpose and intent of this policy is to provide direction to all employees for the use of cellular phones (including hands free phones) while operating vehicles or equipment.

2.0 Definition

For the intent of this policy, “hands free” cellular phones are defined as speakerphones or cellular phones that operate with a headset.

3.0 Procedures

The use of all cellular phones of any kind whether company or government issued or personally owned is prohibited by all personnel driving company, government, or personal vehicles or equipment at any work location.

The same rule applies to any YEI employee driving a company, government or personal vehicle anywhere in the performance of company business.

If it is necessary to use a cellular phone while operating a vehicle or equipment, the employee must safely pull off the road before using the phone.

4.0 Arecibo Specific

The use of all cellular phones of any kind whether company or government issued or personally owned is strictly prohibited by all personnel while on the work location. Strict adherence to the rules and regulations as required by the Customer are mandatory. Violations of this policy will result in disciplinary action, up to and including termination.