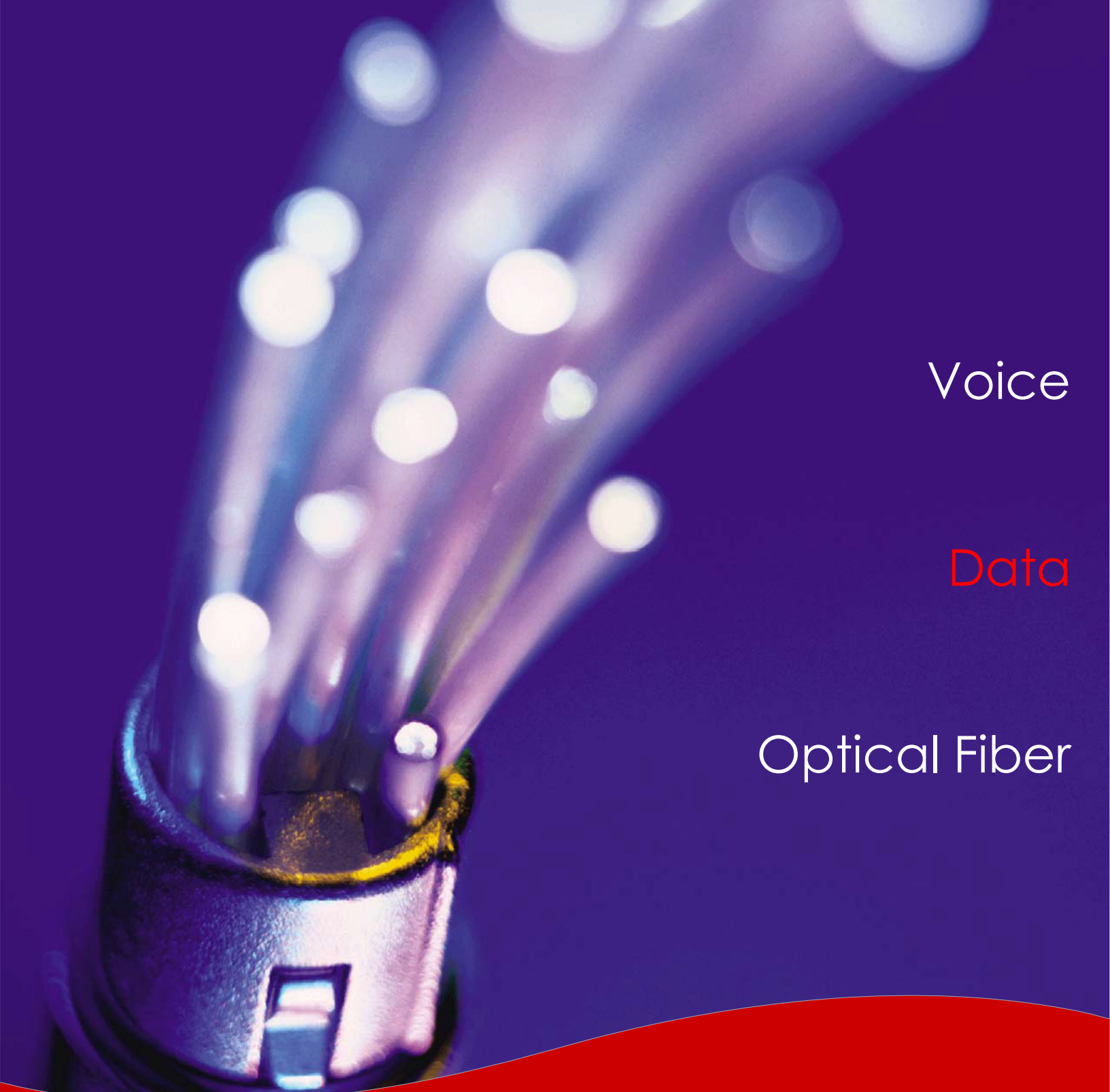




Voice

Data

Optical Fiber

Employee Manual

Revised October 2025



www.southwestnetworks.com



FREQUENTLY ADDRESSED POLICIES

This SWN employee manual covers all SWN policies and should be read prior to employment. Some of the policies that are addressed more frequently are summarized below but employees should read all details on these guidelines to their full extent in the manual.

Vacation

- After 6 months of full time employment = 40 hours.
- After 1 full year of full time employment = 40 hours.
- After first January following employee anniversary = 80 hours.
- After 5 full years of full time employment = 120 hours.
- Maximum vacation time is 120 hours.

Please see the Vacation section of this manual for more details on vacation policy. Vacation time can ONLY be carried over when approved by a manager and human resources.

Personal/Sick Leave

Personal/sick leave cannot be utilized until the employee has completed 15 months of full time employment. Employees receive **32 hours per year after the first 15 months of employment** with SWN.

Please see the Personal/Sick Leave section on next page of this manual for more details on vacation policy.

SECTION ONE: VACATION AND LEAVES

- After 6 months of full time employment = 40 hours.
- After 1 full year of full time employment = 40 hours.
- After first January following employee anniversary = 80 hours.
- After 5 full years of full time employment = 120 hours.
- Maximum vacation time is 120 hours.

Employees earn vacation in the year which it is taken. Earned vacation must be taken before the employee's next anniversary date or it will be forfeited. Vacation time will be scheduled on a first-come, first-served basis. Only one earned 40-hour vacation period may be taken at any time. Vacation requests must be scheduled with the company office and/or supervisor at least **30 days in advance and must be approved in writing by management however it could be revoked if work comes up. If an employee is working on a job and unable to take vacation, the employee can roll over the vacation time into the following year. Vacation time can ONLY be carried over when approved by a manager and human resources.**

Because work schedules must be considered before granting vacation requests, we ask employees to not request vacation time during peak workload weeks. When two or more employees in the same department request the same vacation period, the employee with the most time on the job will normally be given first choice. During the Thanksgiving/Christmas/New Year Holiday time the employee's vacation requests may have to be altered depending on the job load schedule. Due to these alterations, vacation time can be rolled over if needed into the following year.

At time of termination all vacation time will be forfeited. Vacation time is a benefit for employees that have worked full time for the required period and as an incentive for the continued employment with our company. Vacation time not used will be forfeited. Vacation time is not pro-rated; employees must work for the full period to be eligible.

Important:

- **Vacation pay will be paid at the regular pay rate, not as overtime pay.**
- **Employees do not have to work the day before or after to qualify for holiday pay. However, if the employee is on vacation and the holiday falls in that period the employee will have to take it as a vacation day.**
- **Holiday pay is only paid overtime if the employee actually physically works the holiday.**
- **All employees are eligible for holiday pay after their 90 days with the company.**
- **If an employee wants vacation days paid during a holiday they must request it in advance and their request must be approved by management.**
- **If an employee requested a week's vacation and a holiday falls into their request they will be paid vacation time and not holiday for that particular day.**

1. Vacation Pay will be determined as follows:

- Salaried personnel – will be paid normal daily salary.
- Hourly personnel – will be paid their normal hourly rate.

2. Holidays

- New Year's Day
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving and the day after Thanksgiving
- Christmas Day

WORK LEAVES

1. Personal/Sick Leave

Personal/sick leave cannot be utilized until the employee has completed 15 months of full time employment. **Employees receive 32 hours per year after the first 15 months of employment with SWN. Sick time can be carried over.**

Employees must notify their supervisor and the Operations Manager of their intent to be absent. A physician's release and statement of illness is required for absences of more than **two consecutive days**.

Personal/sick leave may not be utilized for vacation or other purposes and will be forfeited at time of separation. Abuse of this or other policies may result in discipline up to and including termination.

Personal/sick leave may be used for the following:

- Illness for employee or immediate family member.
- Doctor, dentist or other medical appointments.
- Death in the immediate family, not to exceed three (3) days.

2. Absences and non-paid time off Policy

If you are sick or have a personal emergency, you must notify your supervisor prior to the start of your shift. Two absences per quarter will be considered as excessive absenteeism. A preplanned appointment for time off must be scheduled at least 2 weeks in advance. If time off on a weekend holiday is required, notice must be given 1 month in advance. All absent employees must call in everyday to the technician supervisor, 2 hours prior to closing to inform management of probable attendance status for the next workday. All vacation time or time off from work (1/2 days or full days) must be reported on the **Absence Report Form**, the report must be correctly filled out and turned into the payroll department before the end of the scheduled pay period.

3. Leave of Absence

A leave of absence is authorized time off without pay for an interval longer than two (2) weeks carrying the right of reinstatement to the same or comparable position whenever possible.

Leaves of absence in this policy are for employees that may not qualify for the Family and Medical Leave Act of 1993. You may qualify for time under the Act explained elsewhere in this manual.

All leaves of absence require the prior written approval of management and failure to report back to work at the expiration of an approved leave of absence will be considered voluntary termination of employment.

All leaves of absence for illness, injury, or maternity must have a written release from the attending physician before the employee can return to work.

Important: Benefits do not accrue during an absence. All insurance premiums will be the responsibility of the employee while on leave of absence. Benefits are subject to change or cancellation at any time.

4. Voting Leave

Management encourages all employees to take part in National, local and State elections. Non-paid time off to vote must be approved by your supervisor. All requests must be made at least 2-days prior to the election.

5. Pregnancy Disability Leave

A pregnancy is treated like any other medical condition and is considered a medical disability.

A pregnancy leave of absence begins on the date the employee's obstetrician certifies, in writing, that the employee is medically disabled and ends when the obstetrician certifies that the medical disability has ceased.

No employee shall knowingly be permitted to work during pregnancy unless approved by her personal physician, in writing, when the pregnancy is initially diagnosed and each month in the trimester. Obtaining such approval is the employee's responsibility. In the absence of employer knowledge and written authorization, our operation understands that the employee has explored and assumes any attendant risk of continued employment.

No employee shall be permitted to work if a physician determines that he/she is medically unable to perform the job. When an employee is on leave of absence due to medical disability, the employee's job will not be permanently filled unless circumstances are such that the job is filled for business reasons.

6. Jury Duty

The company encourages every employee to actively participate in their civic responsibility to serve as a juror. Time off without pay will be scheduled; this is for all employees hourly and salary. You are expected to return to work if you are excused from serving during regular business hours.

7. Death in the Family

In the event of a death in the immediate family, notify your supervisor to change your work schedule. Time off must be approved by your supervisor. Additional unpaid leave may be approved by your supervisor for travel or time may be deducted from vacation time or personal/sick leave time. (Only for immediate family member, **up to two days**).

8. Military Leave

Employees in the military reserves are given the time to attend active duty. Employees will not receive compensation from the company while on military leave. You must notify your supervisor in advance to receive this leave.

SECTION TWO: DRESS CODE/PERSONAL APPEARANCE

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image, SOUTHWEST NETWORKS, INC. presents to customers and visitors.

During business hours or when representing SOUTHWEST NETWORKS, INC., you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position and accepted social standards.

Your supervisor or department head is responsible for establishing a reasonable dress code appropriate to the job you perform. If your personal appearance is inappropriate, you may be asked to leave the workplace until you are properly dressed and/or groomed. Under such circumstance, you will not be compensated for the time away from work.

All associates who are provided with uniforms are required to wear them while on duty. Uniforms must be neat, clean and pressed at all times. Good personal hygiene standards are mandatory. Your fellow associates, as well as our customers, have the right to expect general cleanliness from you, as you do from them. Each associate is expected to bathe or shower daily and use an appropriate deodorant. An excessive amount of perfume or cologne may also be offensive, discretionary use is advised.

Body piercing and tattoos must not be visible. Please see the Dress Code section below for a detailed list of dress code violations.

1. Dress Code/Personal Appearance

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Body piercing and tattoos must not be visible.

The following regulations are also in effect:

2. Men

Hair should be neatly combed and free from excessive oils. Sideburns should not exceed below a line running from the corner of the mouth to the back of the jaw. Moustaches should be clean, neatly trimmed, and must not extend over the upper lip or past the corners of the mouth. If beards are permitted, they must be grown while on vacation or leave and they must be well groomed and neatly trimmed. Men without beards are to come to work clean-shaven each day. Extreme hairstyles and tails are not permitted. Males are not allowed to wear earrings while on company time. Shirts must be tucked in at all times. **NO TENNIS SHOES.**

3. Women

Hair should be neat, clean, properly trimmed and combed. Extreme faddish hairstyles should not be worn. Wigs may be worn as long as they are of a conservative style and color and generally adhere to the individual's natural appearance. Make-up should be used in moderation. Fingernail polish should be conservative in shade and should not be chipped. Nail lengths should be moderate. No more than two earrings per ear are permitted.

Our customers need to feel comfortable while interacting with our employees in and out of their facilities. Poor hygiene can be a distraction to another employee and our customers. Employees that are out of dress code will be written up. Employees that have three write ups can be terminated.

The following guidelines should be followed.

- Shoes must provide safe, secure footing and offer protection against hazards.
- Canvas or athletic type shoes are not appropriate professional attire.
- Tank tops, tube or halter-tops, or shorts cannot be worn.
- Mustaches and beards must be clean, well trimmed, and neat.
- Hairstyles are expected to be in good taste.
- Unnaturally colored hair, extreme hairstyles, such as spiked hair are not allowed.
- Long hair must be pulled back off the face and must be in a ponytail when working in the shop.
- Excessive makeup is not permitted.
- Offensive body odor and poor personal hygiene is not acceptable.
- Perfume, cologne, and after-shave should be used moderately or avoided altogether.
- Jewelry should not be functionally restrictive, dangerous to job performance, or excessive.
- Facial jewelry, such as eyebrow rings, nose rings, lip rings, and tongue studs are not allowed.
- Multiple ear piercing may not be worn during business hours.

Important: Torso body piercing with visible jewelry must not be worn during business hours if it can be seen. This is required at job sites. Tattoos and body art must be covered during business hours and on job sites.

4. Casual Days

Our primary objective is to have employees project a professional image while taking advantage of more casual relaxed fashions. Not all-casual wear is appropriate for work. It is never appropriate to wear stained, wrinkled, frayed, or revealing clothing to the workplace.

Examples of acceptable casual wear include:

- Slacks
- Jean
- Dress shorts (2 inches above the knee)
- Casual dresses and skirts
- Casual shirts and blouses
- Sweaters
- Loafers
- Boots
- Flats

Examples of inappropriate wear include:

- Jeans that are worn or faded
- Sweatpants
- Warm-up or jogging suits and pants
- Short shorts
- Bib overalls
- Spandex or other form fitting pants
- Miniskirts
- Spaghetti-strap dresses
- T-shirts
- Sweatshirts
- T-shirts with offensive messages or images
- Tank tops
- Halter tops
- Visible undergarments
- Slippers
- Thong slippers

Hair must be neat and conservative, extreme hairstyles are not permitted. Make-up for female employees should be moderate. Company shirts must be clean and pressed; all employees must present a clean, neat and Professional appearance at all times. Shirts must be tucked in. No piercing allowed. All piercings must be removed prior to start of workday.

Important: T-shirts with Vulgar Slogans Are Prohibited.

SECTION THREE: COMPANY VEHICLE USE

The SWN company vehicles are used to transport materials and equipment to job sites.

The lead technician is the only staff member allowed to ride in the company vehicle to job sites. The lead technician is responsible for the materials and equipment in the vehicle and is the only crew member that should use company vehicles to drive to job sites.

Mileage is not reimbursable for employees driving company-provided vehicles.

1. Overview

1. In the event of an accident you must notify your supervisor immediately. Anyone driving a company vehicle will be solely responsible for the deductible in the event of an accident **if found at fault** or other occurrence.
2. Anyone driving a company vehicle is responsible for the assigned vehicle. **Only Approved Licensed Drivers May Drive.**
3. Company vehicles must be kept clean and in good mechanical condition at all times. **Check All Fluids Daily.**
4. Company Management will assign all company vehicles.
5. Employees and all persons riding in company vehicles must wear seat belts at all times and must obey all laws.
6. Proof of insurance must be with you at all times while driving a company vehicle.
7. Traffic Violations and Accidents are the responsibility of the employee. Employees must obey all state and federal laws while operating a company vehicle. A MVR (Motor Vehicle Report) will be signed and your driving record will be checked on a periodic basis. Two (2) violations will result in loss of driving privilege for the company vehicles. A bad-driving record that causes the employee to be uninsurable will cause for termination.
8. A D.W.I. (Driving While Intoxicated) or D.U.I (Driving Under the Influence) will be cause for termination.
9. Company vehicles being driven by an employee must be driven in safe and law-abiding manner at all times. Any mistreating or unauthorized use of a company vehicle may result in termination.
10. **Cell Phone Are To Be Used Only When Vehicle Is Stopped And In Park. Use of the Cell Phone While Driving Will Be Cause for Discipline Up To and Including Termination.** No unexcused stops in company or personal vehicles!!

Important: Employees must drive with lights on.
Any Violation Of These Or Any Company Policy May Lead To Termination.

2. Company Vehicle Policy

- Employees must ensure that the vehicle is not driven by an unlicensed driver and is only driven by yourself. Company vehicles are to be utilized for company business.
- Employees must immediately notify your manager if your driver's license is revoked or suspended and discontinue operation of the company vehicle. Failure to do so may result in disciplinary action, including dismissal.
- Employees must ensure the vehicle is kept clean, is roadworthy at all times, is maintained in good condition and has a current registration sticker affixed to the windshield.
- Company vehicles are an extension of the public appearance of Southwest Networks and must maintain a professional, clean appearance.
- Employees must ensure that all maintenance and services scheduled by the manufacturer are carried out in accordance with their recommended time/mileage guidelines.
- Employees should not ignore vehicle warning lights/sounds systems (such as oil/engine management etc) and have the vehicle checked as soon as possible after such warnings commence.
- Employees should not continue to drive the vehicle if the vehicle clearly indicates it needs immediate mechanical service (whether it be a warning light or otherwise common indicators that the vehicle needs attention).
- Make the vehicle and its service records available to your manager on request for the purpose of an inspection to determine that the vehicle performance and appearance comply with this policy.

3. Driving Safety

- Employees should not drive under the influence of alcohol or drugs.
- Employees should ensure that all occupants wear safety belts when the vehicle is in operation.
- Employees must drive the vehicle with due regard for all traffic regulations, your own safety and the safety of pedestrians, other road users and with respect for property owned by Southwest Networks.
- Do not try to perform other tasks which may impede your ability to focus on safely operating the vehicle while it is in motion.
- Ensure that there is no smoking in the vehicle.
- Keep the vehicle locked at all times when not in use. When "garaged" at your residence, the vehicle should be maintained in a secure location, preferably "off street" and under cover.
- Never leave keys in unattended vehicle.

4. Work on Personal Vehicles

The company does not permit employees to work on their vehicles on company property.

5. Mileage

The following situations **are not eligible** for mileage reimbursement and are defined by the IRS as personal mileage:

- Mileage from an employee's home to a SWN job site
- Mileage from an employee's home to the SWN office in Arlington
- Mileage from the end of the shift to the employee's home
- Mileage for carpooling

The following situations **are eligible** for mileage reimbursement:

- Mileage from the first SWN job site to a second SWN job site in the same shift
- Mileage for a technician carrying materials and /or equipment in their vehicle that was requested by the technician's Project Manager

Employees must include the reason for all mileage claimed on the Mileage Record Worksheet. SWN pays mileage at the current approved rate. Technicians can charge hours for the job beginning when they get to the job site and ending when the technician leaves the job site.

Approval Requirements for Mileage Reimbursement

The requirements for expense reports and approvals are as follows:

- All expense reports must be approved and signed by your immediate Supervisor/Manager and submitted to Josie Hernandez weekly.
- All expense reports must be submitted within 60 days of incurring the expense. Items received after the 60 day time window, will be reported to the Payroll Department as additional compensation and will be subject to all payroll tax withholdings, if any, as per IRS guidelines.
- The Company reserves the right to withhold reimbursement while it investigates expense report items.

SECTION FOUR: COMPANY PROPERTY

Employees are responsible financially for any broken or destroyed property that belongs to Southwest Networks. This includes property at job sites. Any items destroyed or broken by an employee will be deducted from the employee's paycheck.

Employees must respect company property and prevent damage, to the best of their ability, to all company records, machinery, equipment, buildings or other property, and any damage may be grounds for dismissal.

All employees are responsible for their personal property and should keep all toolboxes locked and other property in a safe and secure place. Company insurance does not cover employee property. All employees that keep personal property of company property are required to keep a copy of proof of insurance, "Home owners and/or renters insurance", on file with the office.

SECTION FIVE: GENERAL EMPLOYEE GUIDELINES

1. Equal Opportunity Employer

Southwest Networks, Inc. is an Equal Opportunity Employer, seeking men and women, regardless of race, religion, national origin, age, physical or mental handicap, on the basis of the employee's capacity to perform the particular job applied for and can work with our other employees harmoniously to perform assigned tasks.

Compensation plans, benefits, transfers, layoffs, recalls, **COMPANY-sponsored** training, education, social and recreational programs are administered without regard to race, religion, sex, age, national origin, color, veteran, or handicap status.

2. Health Requirements

All employees shall be of sufficient good health to properly discharge their duties. Employees who have an infectious disease shall not be permitted to work for the duration of the communicability.

IMPORTANT: If an employee becomes ill or injured while on duty, it is his/her responsibility to report to his/her supervisor within THREE HOURS. Failure to do so may result in a loss of potential benefits for that illness.

3. Conflict of Interest

All Southwest Networks, Inc. employees are expected to avoid Conflict of Interest between the **COMPANY** and personal or other interests. When in doubt contact management. Management will determine if you are in conflict. Conflict of Interest may result in termination.

4. Bonding

All employees must be bondable.

5. Immigration Reform and Control Act

ANY applicant who may fall under the Immigration Reform and Control Act must show full accreditation of their individual status. Anyone who applies for a job at Southwest Networks, Inc. has to comply with all the federal regulations on employment with respect to any immigration act and/or citizenship requirements.

6. Current Information

The company should be informed of change in address, telephone number, name, doctor, or emergency contact. Any changes in tax status should also be made on a new withholding form (W-4).

7. Confidentiality

We require that information about SOUTHWEST NETWORKS, INC. be held in strictest confidence due to the competitive nature of our business and anyone found in violation of this policy will be terminated.

SECTION SIX: WORK EXPECTATIONS

1. Supervisor

Questions about your job, pay benefits, relations with your associates, policies, and procedures or the operation in general will be directed to the management. Look to your supervisor for guidance and seek his/her assistance when you encounter difficulties. Cooperation and communication with your supervisor will promote a mutually beneficial work environment. Safety is our first goal; report any safety violations to your supervisor immediately.

Each employee must follow the directions of his/her supervisor. The management is responsible for directing your work throughout your shift, evaluating your performance, providing instruction and guidance in your job, and taking any disciplinary action that may be necessary. Disrespect for either your supervisor or the management will not be tolerated and will be cause for discharge.

2. Job Assignments

IMPORTANT: As far as practical, every employee will be assigned to a regular job and or area of responsibility; however, circumstances may make it necessary at times to transfer an employee to a job and/or area of responsibility other than his/her regular one. Your cooperation in such a situation is an important factor in the performance of your work and in the overall operation of our business.

3. Attitude

Your most valuable personal qualities are patience, efficiency, loyalty, courtesy, cheerfulness, and compassion. They are necessary components of your work. Caring for the work we perform, for the clients and for our fellow employees is the central reason we are here. You should do everything possible to contribute toward an atmosphere of politeness, consideration, and diligence, with all personal and/or **COMPANY** contacts. Failure to work well with others may be cause for disciplinary action or termination.

4. Career Development

Management supports the advancement and development of it's' employees. Often there are seminars, classes and/or meetings that will be required by the **COMPANY** that directly relate to certain positions and the individual participating in such opportunities will be designated by the President.

5. Evaluations

Managers will conduct an in-depth employee evaluation for a new employee at the 90 day mark. At this time, the manager will decide if the employee will remain employed by SWN. In addition, managers will conduct employee evaluations a minimum of once per year. This annual evaluation does not guarantee the employee will receive a raise.

SECTION SEVEN: EMPLOYEE STATUS

1. Orientation Period

The orientation period for a new employee (or one hired after loss of seniority) shall be ninety (90) calendar days. And employee retained after his orientation period shall be considered a regular employee and shall be credited with seniority as of the date of his employment.

After an employee has completed his/her orientation period, the **COMPANY** shall consider the employee's experience, skill, fitness and attitude in determining raise in pay and scheduling position. The completion of the orientation period does not guarantee employment for any period of time or constitute an employment agreement or contract for employment.

**Important: All employees of the company are employed at-will with no minimum duration of employment and may be terminated at any time and for any reason or no reason.
The Safety Manual and the Employee Policy Manual are not Employment Contracts.**

Employees must work 520 hours to be eligible for insurance benefits and/or any other benefits the **COMPANY** may offer from time to time.

2. Discipline and Discharge of Employees

The **COMPANY** has the right to discipline and discharge employees in a consistent and unbiased manner for violation of **COMPANY** policy, safety rules and practices, or for any reason. All employees are employed at will.

Important: All notices of discipline and discharge must be given to the human resource department prior to any action being taken by the supervisor or they will be disciplined in the same manner.

See attachment.

******Employees can review all attachments mentioned in this manual
in the break room of the main corporate office******

3. Part Time/Full Time Status

Permanent employees are categorized as full or part-time. The preliminary designation is made at the time of hiring and the final designation is made after the orientation period.

A full-time employee works a minimum of 40 hour per week on a regular basis and a part-time employee works less than 40 hours on a regular basis. These classifications determine which benefits are available to an employee.

**Important: All employees of the company are employed at-will with no minimum duration of employment and may be terminated at the discretion of the company.
The Safety Manual and the Employee Manual are not employment contracts.**

4. Management

The **COMPANY** has and shall continue to have full control over matters relating to the management and conduct of its business; the continuance or discontinuance of the whole or any part thereof, planning and processing, subcontracting of any of its business, the determination of methods of production, the fixing of standards of quality, the type of service, scheduling of operations and the number and location of **COMPANY** centers.

The **COMPANY** shall also continue to have full control over the selection, assignment, direction, as well as the size and composition of the working force. It, furthermore, has the right to hire, to suspend, to discharge, to demote and discipline for cause, to promote, to transfer from one shift to another without regard to seniority, and to relieve or lay-off employees because of lack of work or for other causes. It has the right to make and enforce **COMPANY** rules, regulations and orders. It is agreed that the listing of specific rights is not intended to be nor shall be considered restrictive of or a waiver of any of the rights of management not listed and not specifically surrendered herein whether or not such rights have been exercised by the **COMPANY** in the past.

SECTION EIGHT: WORKING HOURS

1. Workday Schedule

For full-time employees and part-time employees, management will determine the workweek by the work that is available. The workday is defined by what is normally required to complete the daily schedule. Work schedules may be posted in advance unless you are assigned to a longer term fixed schedule, and these shall be adhered to strictly except in the case of emergency and illness.

All changes in the schedule are to be made by the supervisor, or other authorized person, who is responsible for the schedule. We reserve the right to change schedules for employees in the interest of proper functioning of the business.

Any employees with **Excessive** Absences from work due to illness may be asked to have their physical condition reviewed to determine their ability to continue in that position, and a physician's release may be required.

Please Note: Loitering on the premises after work hours is strictly prohibited. Anyone not in the employment of **SOUTHWEST NETWORKS, INC.** will not be allowed on **COMPANY** premises without the express approval of management. Any violation of this will be considered for trespassing.

All employees are required to call and/or notify their immediate supervisor before their shift begins, (no later than 7:30 A.M.) for absences due to illness, or for whatever reason employee intends to miss his/or her scheduled work shift. Employees must call in everyday that they will miss work. All employees that miss their scheduled work shift without prior supervisor approval will be subject to termination. **Important: Supervisor must fill out appropriate forms and give these forms to the Payroll Administrator (see attachment). Failure of the employee to call may result in termination.**

2. Hourly Paid Employees

1. The "work week" is defined as a seven (7) day period beginning Sunday through Saturday with the time an employee reports for his/her regular shift after midnight on the first day of the workweek (This day being defined by the **COMPANY**). The "work day" is defined as consisting of twenty-four (24) successive hours starting at the reporting time for a regular shift.
2. The regular scheduled "work day" shall consist of eight (8) hours of work plus the length of the lunch period. The length of daily and weekly hour schedules may be changed by the COMPANY from time to time to suit varying conditions of business.
3. The regularly scheduled "work week" shall consist of five (5) eight (8) hour consecutive regularly scheduled work shifts for a "work week". For all hours that an employee works within any regularly scheduled workday, the employee shall be paid his/her base rate, exclusive of overtime.
4. Any employee bonus programs will be performance based.

3. Overtime Pay

1. For all hours an employee works in excess of forty (40) hours within the "work week," exclusive of lunch periods, the employee shall be paid one and one-half (1-1/2), that is, one and one-half his/her individual straight time hourly rate. In no case will overtime compensation be duplicated or pyramided. **This does not apply to exempt employees.**
2. Employees shall be required to work overtime if requested by the COMPANY unless excused by the COMPANY for good cause shown, however, the supervisor will give an employee as much advance notice as possible when an employee is needed beyond normal hours. Overtime is only authorized when approved by the supervisor. Out of town travel drive time will not be considered for calculating overtime.
3. The provisions herewith outlined are designed to establish the basis for paying overtime compensation and to effect compliance with applicable laws, orders and regulations, and shall not be construed as a guarantee of hours of work per day or of days of work per week.

4. Work Outside Employment

Work, (moonlighting) for other companies, individuals or yourself is strictly prohibited without prior approval by management. Moonlighting or use of company tools, equipment or facilities without express permission will be grounds for termination and/or any legal action available to SOUTHWEST NETWORKS, INC. Part-time employment with non-competing companies must be approved by management.

5. Break Periods

All hourly employees must take an hour meal break after eight hours or more per work day. For example, if you worked ten hours, you would take a one-hour lunch break. All employees have a one half hour (30 minutes) for lunch break after six hours of work. Your supervisor will establish lunch breaks. All other breaks two (2) per day will be for fifteen (15) minutes. Abuse of break periods may result in termination. Payroll is required to deduct for the meal breaks.

6. Time Records

An employee who is subject to both minimum wage and overtime provisions of the Federal Wage-Hour Law must keep a time record, which shows the hours worked each workday and the total hours worked each workweek. Time records will be turned in daily.

Important: Anyone found to have altered a time record out sheet will be subject to termination.

Employees exempt from overtime must also keep time records and turn them in daily. All employees who are required fill out a time sheet must do so four (4) times daily as follows:

- Immediately before starting work.
- Immediately before lunch break.
- Immediately after returning from lunch break.
- Immediately after shift is complete.

Important: If you forget to fill out your time sheet or if you make an error, notify your supervisor immediately; do not change your time sheet yourself. All changes to time sheets must be signed and approved by your supervisor. Time sheets not signed will not be paid. All time sheets must be signed by employees as accurate, all unsigned time sheets will result in a pay not being issued for that pay period. See attachment.

SECTION NINE: WORK ENVIRONMENT POLICIES

1. Telephone Policy

The telephone is for Company business. Employee incoming and outgoing calls will be limited to emergency calls only; message will be taken for all other calls. Personal calls may be returned on break time only, please be considerate, keep all personal calls to a minimum. Employees are not to make personal long distance phone calls on company telephones, unless they are charged to his/her personal credit card or home telephone. **The company phone is for incoming business calls only.**

Remember... rule number one, "if we don't take care of our customers, someone else will", always keep phone lines open for our customer calls.

2. Company and Personal Cell Phone Policy

The Company's policy is **NO** personal calls on company furnished cell phones at any time. These phones are furnished specifically for work related communications. Phone records will be reviewed and any personal calls during work hours are subject to time deducted from your payroll hours for non-work or possible termination.

Personal cell phones are not allowed on job sites. You will be asked to remove your cell phone from the job site at your expense.

3. Housekeeping Policy

Work areas are to be kept clean at all times. Each employee must clean the work area immediately after use. Tools and equipment must be kept clean, in good repair, and in their designated location.

4. Smoking and Eating Policy

Smoking, eating, gum chewing or uses of tobacco are permitted only in designated areas.

IMPORTANT:

No Smoking on Job

No Smoking in Customer's Vehicles

No Smoking in Any Building or Office

Smoking on Job Will Be Allowed In Designated Areas Only

5. Parking

Employees are expected to park in the area designated for employees in order to ensure that clients have the most convenient parking spaces possible. Employees that park on company property must have a valid Texas driver's license and insurance.

The company does not accept responsibility for the security of an employee's vehicle or its contents while it is parked on the premises. While you are on company time, there should be no loud music and no peeling out while in vehicles.

6. Solicitations

Employees are prohibited from soliciting in working areas and during working time. Distribution of literature by employees except during non-working time is also prohibited. Solicitation and distribution on company premises by non-employees is forbidden. Any posting on company bulletin boards must have prior supervisor approval.

7. Harassment

This **COMPANY** does not tolerate harassment of employee; Harassment includes, but is not limited to slurs, jokes, other verbal graphic, or physical conduct relating to an individual's race, color, sex, religion, national origin, age, or handicap. Harassment also includes sexual advances, requests for sexual favors and other verbal, graphic, or physical conduct of a sexual nature.

If an employee feels harassed, contact the immediate supervisor at once. The matter will be investigated and appropriate action taken. Violations of this policy will not be permitted and may result in disciplinary action, up to and including termination.

Southwest Networks has a zero tolerance policy for sexual harassment, whether it is between employees or on site interactions with clients. If an employee cannot discuss the matter with the immediate supervisor, contact a manager or the President.

8. Internet Usage

Internet access to global electronic information resources on the World Wide Web is provided by SOUTHWEST NETWORKS, INC. to assist employees in obtaining work-related data and technology.

Important: All Internet Usage Is Limited To Job Related Activities.

Personal use of the Internet is not permitted.

All Internet data that is composed, transmitted, or received via our computer systems is considered to be part of the official records of SOUTHWEST NETWORKS, INC. and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, employees should always ensure the business information contained in the Internet e-mail messages and other transmissions is accurate, appropriate, ethical, and lawful.

The equipment, services, and technology provided to access the Internet remain at all times the property of SOUTHWEST NETWORKS, INC. and, as such, SOUTHWEST NETWORKS, INC. reserves the right to monitor Internet traffic, and retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems.

Data that is composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or any other person. Examples of unacceptable content may include, but are not limited to, sexual comments or images that could offend someone on the basis of any other comments or images that could offend someone on the basis of race, age, sex, religious, or political beliefs, national origin, disability sexual orientation, or any other characteristic protected by law.

Abuse of the Internet access provided by SOUTHWEST NETWORKS, INC. in violation of law or SOUTHWEST NETWORKS, INC. policies will result in disciplinary action, up to and including termination. Employees may also be held personally liable for any violations of this policy or violation of the law.

The following behaviors are examples of activities that are prohibited and can result in disciplinary action:

- Using the organization's time and resources for personal gain.
- Stealing, using, or disclosing someone else's code or password without authorization.
- Copying, pirating, or downloading software and electronic files without permission.
- Sending or posting confidential material, trade secrets, or proprietary information outside of the company.
- Violating copyright law.
- Failing to observe licensing agreements.
- Engaging in unauthorized transactions that may incur of cost to the company.
- Sending or posting messages or material that could damage the company's image or reputation.
- Participating in the viewing or exchange of pornography or obscene materials.
- Sending or posting messages that defame or slander other individuals.
- Attempting to break into the computer system of another company or person.
- Refusing to cooperate with a security investigation.
- Sending or posting chain letters, solicitations or advertisements, not related to company business or activities.
- Using the Internet for political causes or activities, religious activities, or any sort of gambling.
- Jeopardizing the security of the communication system.
- Sending or posting messages that disparage another organization or person.
- Passing off personal views as representing those of the company.
- Sending anonymous e-mail messages.

Engaging in any illegal activities.

9. Dating Policy

Employees may not date fraternize with company clients, company employees and/or vendors.

10. Name Badges

All employees must wear name badges while on duty. Name badges are the property of SOUTHWEST NETWORKS, INC., and must be returned prior to receiving final pay and/or separation from the company. A lost or altered badge will be replaced for \$10.00. A fee of \$10.00 will be charged for failure to turn in all badges at the time of discharge.

11. Mail

Employees should not use the company address to send or receive personal mail.

12. Credit Cards

Anyone misusing or using credit cards for personal use without permission will be terminated. Credit card receipts must be turned in immediately with truck number.

**Important: Report lost or stolen cards immediately.
Employees will be responsible for any and all unauthorized charges.**

13. Personnel Records

Access to personnel files is restricted to authorized employees of the Personnel Department. Personnel files are confidential and employees must sign a release before any information may be given to any third party. Personnel files are the property of the company. Desks And File Cabinets Are Off Limits To All Employees...any unauthorized possession of company property will result in termination and/or possible prosecution.

14. Complaint Handling Procedure

Job related problems, questions or complaints should be discussed with your supervisor. If the discussion with your supervisor does not resolve the matter or answer your complaint you may present your complaint, orally or in writing, to the next higher level of management. If the matter is not resolved to your satisfaction, you may present your complaint in writing to the President for a final resolution.

When the matter personally involves your supervisor, you may bypass that individual and proceed to the level without fear or reprisal. At any time you may seek the advice and guidance of your supervisor. Difficulties in using this procedure should be brought to the attention of the President.

15. Contraband Policy

The company has established a contraband policy to assist in providing a safe and healthful working environment for its employees, to protect company property and the property of its customers, and to help protect the traveling public on the routes traveled by company personnel.

The contraband policy herein stated is that the sale, purchase, transfer, concealment, transportation, use, or possession of contraband, as herein defined, by any employee represents a threat to the health, safety, and well-being of employees, customers, and property, as well as to the traveling public, and is strictly prohibited.

Contraband, as used herein, shall include, but not limited to:

- **Illegal drugs, controlled substance (including trace amounts), look alike drugs, designer drugs, any hallucinogen or cannabinoid (hereinafter called "DRUGS").**
- **Alcoholic beverages.**
- **Drug paraphernalia.**
- **Unauthorized prescription drugs.**
- **Firearms or other dangerous weapons.**

Also prohibited is reporting for work or being at work with any detectable quantity of any illegal drug, or under the influence of alcohol.

The company may utilize a urine drug screen, site test or alcohol test, (a copy of which is included in this manual) or other approved medical testing procedure to help in the control or detection of illegal drug or alcohol usage. These tests may be utilized under the following circumstances:

- 1. Employees that refuse or walk out during a drug test will be terminated.**
2. Pre-employment urinalysis drug testing beginning upon implementation of this program.
3. Random or universal employee testing.
4. When an employee's supervisor has a reasonable suspicion that the employee is in violation of this policy.
5. When an employee is found in possession of suspected illegal or unauthorized drugs or paraphernalia.
6. Following a serious or potentially serious on-the-job accident in which careless acts were performed.

The company reserves the right to carry out reasonable searches of individual employees, their personal effects, property and/or vehicles on company property. Personal effects the employee include, but are not limited to, personal vehicles, baggage, desks, tool boxes, lunch pails, and purses. Searches and tests may be initiated without prior notice and conducted at the time and location deemed appropriate by the company.

Employees have the right to refuse being searched or having their personal effects searched. Refusal to submit to requested searches will be subject to immediate termination.

Proper law enforcement authorities may be notified in appropriate cases. The company, in its sole discretion, may take into custody any illegal, unauthorized, or prohibited items, and may turn them over to the proper law enforcement agencies.

16. PURCHASE ORDERS

All purchases by this company will be made on a properly prepared and approved purchase order. Invoices will be paid based on valid purchase orders only. Exceptions based on urgency or other reasons will be made only with management approval. Any item ordered without proper documentation and approval will either be refused or will be the responsibility of the employee who ordered the item and may lead to termination if prior approval is not obtained.

SECTION TEN: TECHNICIAN GUIDELINES

1. Special Tools

Company provided tools for use by the technicians are the property of the company and must be kept in the tool room when not in use. These tools must be maintained in good working order. Employees are responsible for company tools lost or stolen. Employees must report lost or stolen tools to their supervisor and to human resources.

Do not attempt to use any tool you are not trained on to use, when in doubt contact your supervisor. Broken tools or equipment must be reported to your supervisor immediately.

2. Technician's Tools

It is recommended that all technicians carry insurance on their tools, the company does not provide insurance for any personal tools or equipment. All tools are kept on premises at owners' risk.

3. Technician's Guarantee

Technicians are responsible for the quality of work they perform. **Technicians are required to repair faulty work on their own time and at their own expense.** Parts/materials may be furnished by the company without charge to the technician.

SECTION ELEVEN: CUSTOMER RELATIONS

1. Customer is Right

This company's successful record is influenced by the employee's consideration to the company's customers. Every employee is responsible for maintaining and improving service to the customer. The customer may not always be right, but even if he/she is not, do not argue. If a customer cannot be satisfied, refer him/her to the supervisor.

2. Gifts and Gratuities

Employees must serve all clients equally. Employees are not to solicit gifts or gratuities from clients. Employees may not except offered gifts or gratuities.

3. Complaint Policy

All customer complaints are to be handled in systematic manner. Remember that our customers want to be handled promptly, cheerfully, and fairly. Never argue with a customer. All customer complaints are to be handled in the following manner:

- Determine what department should handle the complaint. Contact the manager of that department immediately and give him/her all the information you have so that he/she may talk with the customer.
- If you are unable to determine which department should be advised refer the customer to your supervisor.

SECTION TWELVE: ABSENTEEISM

1. Absences and Punctuality

The cooperation and consideration of all employees is required in order for our operation to maintain a level of efficiency and services. This is especially true with regard to absenteeism and tardiness. It is imperative that you work when you are scheduled to work. Your absence adds to the workload of your co-workers and disrupts the routine. If an emergency, illness, or other situation occurs which will prevent you from reporting to work or reporting to work on time, you must give your supervisor as much advance notice as possible, no later than the start of your scheduled work time. When informing your supervisor of your absence or tardiness, indicate when you expect to report to work. Absenteeism or tardiness without valid reason and proper notification is cause for dismissal. **Important: Failure to report absence for two (2) consecutive workdays will be considered a voluntary termination from the COMPANY.**

2. Tardiness Policy

Employees that report in late will be docked pay for time that they are late. At supervisors discretion employees that are late (3) three or more times in any 30 day period will be given a written violation in their personnel file and/or given the entire day off without pay. Habitual tardiness may result in termination.

3. Absence Report

A work absence report must be completed for all time away from work. All absences due to illness must be accompanied by a Doctor's release and/or excuse with supervisor's approval. **See attachment.**

SECTION THIRTEEN: PAY AND DEDUCTIONS

1. Pay Periods

You will be informed by your supervisor of your pay period when you begin employment. All pay periods that fall on a holiday will be paid on the next workday.

2. Pay and Benefits

Employees are responsible for reporting to the office any status changes, which effect payroll deductions.

3. Deductions

“Take-home” pay does not represent the entire amount of an employee’s earning. A variety of payroll deductions are made from each paycheck, to fulfill state and federal requirements. For example, deductions are made for Federal Income Tax and FICA (Social Security). Also, there may be voluntary employee deductions for insurance or other programs approved or requested by the employee.

4. Loans or Advance on Pay

It is company policy to not loan or make advances on pay.

5. Employee Accounts

All employee purchases for tools or equipment are due and payable at time of purchase. Upon management approval arrangements can be made for payroll deduction from your paycheck. Prior approvals for any employee charges require management approval. **See attachment (Payroll Deduction Form).**

6. Hospitalization and Major Medical Insurance

A group insurance plan may be offered to full time employees.

Benefits, terms and conditions are controlled exclusively by the insurance documents themselves. The exact coverage of the company’s plan may change from time to time, so be certain to obtain current information from the company office.

Important: Employees are responsible for payment of premiums while on leave, for any reason.

7. Sub-insurance

AFLAC is offered to all employees at the employee’s expense as a payroll deduction.

8. Social Security

Federal Social Security laws provide pension and medical benefits for an employee and spouse. This plan is funded by deductions from an employee’s pay and by matching contributions from the employer. Details of this retirement fund may be obtained from a Social Security Office.

9. Company Shirts

Company shirts are available. The employee will pay a minimal fee and this cost will be deducted by payroll in three payments. See attachment. It is mandatory that company technicians wear uniforms during business hours and that all shirts are tucked in to meet OSHA standards. Each employee will purchase six shirts to be payroll deducted out of three pay periods. After this time the employee may purchase one or more shirts. See attachment (Payroll Deduction Form).

SECTION FOURTEEN: SAFETY AND INCIDENTS

1. Work Safety

Please observe the business safety rules contained in your employee's **Health and Safety Manual** in every phase of your work, with particular emphasis on proper lifting techniques when handling heavy objects. You are required to participate in the safety effort of this operation by working safely and attending safety sessions when offered. Incidents involving personnel are reviewed on a regular basis to identify safety hazards. If you should have an incident or injury, report it to management immediately, **No Matter How Insignificant It May Seem**. Your particular job requirements may include additional specific safety guidelines, which are required to observe and practice with no exceptions.

We are proud of our safety record. To protect all employees and to safeguard equipment and property, it is company policy that No employee will perform any type of work until they understand the hazards involved and is knowledgeable of safety practices and fully understands the safe operating procedures for the particular task.

In the event of an accident or injury

- a) Report all accidents or injuries to the office immediately (see incident report procedures elsewhere in this manual)
- b) Accident reports must be filled out within three (3) hours of incident.**

Traffic Accidents:

- a) Fill out accident report.
- b) Exchange information with other driver(s).
- c) Get witness's' names, addressees, telephone numbers, etc.

Do Not Admit Fault-All traffic citations are responsibility of the employee. See attachment.

2. Key Security

Key Security relates to employees who are responsible for a specific area within the company and those individuals are totally responsible to the owner for the security of the building, offices or vehicles. A charge of \$30.00 will assessed for a lost key. Under no circumstances are any keys to be reproduced without permission of the supervisor or the owner. Report any key that you may find to your immediate supervisor.

3. Building Access

Effective February 5, 2010, Southwest Networks has a new security system that only allows employees with an access badge to enter the facility. You should not enter the facility unauthorized if you have not been issued an access badge and an access code to enable and disable the security system.

The Arlington Police Department will be dispatched and you could be arrested if you enter into the building with unauthorized access.

4. Workplace Monitoring

Workplace monitoring may be conducted by SOUTHWEST NETWORKS, INC. To ensure quality control, employee safety, security, and customer satisfaction.

Employees who regularly communicate with customers may have their telephone conversations monitored or recorded. Telephone monitoring is used to identify and correct performance problems through targeted training. Improved job performance enhances our customer's image of SOUTHWEST NETWORKS, INC. as well as their satisfaction with our service.

Computers furnished to employees are the property of SOUTHWEST NETWORKS, INC...As such; computer usage and files may be monitored or accessed. SOUTHWEST NETWORKS, INC. may conduct video surveillance of non-private workplace areas. Video monitoring is used to identify safety concerns, maintain quality control, detect theft and misconduct, and discourage or prevent acts of harassment and workplace violence.

Because SOUTHWEST NETWORKS, INC. is sensitive to the legitimate privacy rights of employees, every effort will be made to see that workplace monitoring is done in an ethical and respectful manner.

5. Speed Limit

The company speed limit is **10 mph** on all company and customer property. All employees are required to abide by this limit and will be subject to possible termination for violations of this policy that may endanger the lives and safety of our customers and employees. All employees that drive a company vehicle must obey all state and federal laws and drive courteously. Employees are responsible for paying any fees incurred, including parking tickets, moving violations, etc.

6. Incident Reports

An incident must be immediately reported to your supervisor or to the management if your supervisor is not available. An incident report must be filled out and signed by the employee involved or the person who witnesses the incident **three hours** following the occurrence of the incident. Failure to do so may result in loss of potential benefits that might be allowed for any injury or to disciplinary action if you are not the injured party.

This policy is important to the safety and well being of all our employees in order to ensure a continued safe and successful work place.

To ensure that proper attention is given and appropriate action taken when an incident occurs within the work place, please follow these procedures.

1. Report the incident to the management within three hours of the occurrence. If management is not immediately available, report to the office.
2. If you are involved in or are a witness to an incident, you should provide information in order for appropriate report to be completed. Please be aware of the importance of immediate action in recording all details of the incident.

7. Robbery

Give whatever is demanded without hesitation. Try to remain calm, DO NOT LEAVE THE PREMISES. If possible try to remember the perpetrator's features, dress, voice, scars, shoes, etc. for future identification. DO NOT try to take any action in apprehension. CALL 911 as soon as you can safely do so.

8. Policy on Theft

Customer/employee pilferage is a serious problem. If you witness or suspect a theft notify your supervisor immediately. Management will evaluate the situation and take appropriate action. Under no circumstances is an employee other than management to detain or make an apprehension on any suspect. Failure to report a theft may mark you an accessory to the crime.

9. Severe Weather

In the event that severe weather changes the company's work schedule, management will notify employees of changes. If no notice is given, it is assumed that the company will open as scheduled and all employees should report to work as scheduled.

In the event of severe weather, the following communication will occur to relay any changes:

PRESIDENT → OPERATIONS MANAGER → PROJECT MANAGERS → COMPANY TECHNICIANS

SECTION FIFTEEN: DRUG AND ALCOHOL TESTING POLICY

I. General Statement

The company believes that a healthy and productive work force, safe working conditions free from the effect of drugs and alcohol, and quality of service rendered by the Company, are important, not only to the Company but also to the employees and the general public.

The abuse of drugs and alcohol creates a variety of work place problems, including increased injuries on the job, increased absenteeism, increased financial burden on health and benefit programs, increased work place theft, decreased employee morale, decreased productivity, and a decline in the quality of products and services.

II. Definition (for purposes of the Policy)

- A. "Alcohol" means ethyl alcohol or ethanol.
- B. "Drugs" means any substance recognized as a drug in the United States Pharmacopoeia, the National Formulary, the Homeopathic Pharmacopoeia, or other drug compendia, or supplement to any of these compendia. This includes without limitation, narcotics, hallucinogenic, depressants, stimulants or other controlled substances.
- C. "Employee" means any person in the service of the Company for compensation of any kind.
- D. "Prospective Employee" means any person who has made application for employment with the Company.
- E. "Sample" means urine, blood, breath, saliva or hair.

III. Testing

The Company intends to test employees or prospective employees for the presence of drugs or alcohol, in accordance with the provisions of this Policy, as a condition of hiring or continued employment.

All testing will be done off site.

- F. The Company may require the collection and testing of samples (at their discretion) for the following purposes:
 - 1. Investigation of possible individual employee impairment.
 - 2. Investigation of accidents in the work place or incidents of work place theft.
 - 3. Maintenance of safety of employees or the general public.
 - 4. Maintenance of productivity, quality of services, or security of property or information.
- G. The collection and testing of samples shall not be limited to circumstances where there are indications of individual, job-related impairments of an employee or prospective employee.
- H. To Test reliably for the presence of drugs or alcohol, the Company will require samples from employees and prospective employees, and will require presentation of reliable identification to the person collecting the samples.
- I. Any drug or alcohol testing shall occur during or immediately after the regular work period of current employees and shall be deemed work time for purposes of compensation and benefits for current employees.

E. The Company shall pay costs of testing unless an employee is found positive and terminated because of drug usage. Then if the employee wants to contest the results of testing, the employee shall be responsible for all costs of further testing. All sample collection and testing shall be performed in accordance with the following conditions.

1. The collection of samples shall be performed under reasonable sanitary conditions.
2. Samples shall be collected and tested with due regard to the privacy of the individual being tested, and in a manner reasonably calculated to prevent substitutions or interference with the collections or testing of samples.
3. Same collection shall be documented, and the documentation procedures shall include the following.
 - Labeling of samples so as reasonably to preclude the probability of erroneous identification of test results.
 - An opportunity for the employee or prospective employee to provide notification of any information which he/she considers relevant to the test, including identification of currently or recently used prescription or non-prescription drugs, or other relevant medical information.
 - If an employee is tested at a random, the employee must go immediately as requested.
 - Sample testing shall conform to scientifically accepted analytical methods and procedures.
 - Testing shall include verification or confirmation of any positive test results by gas chromatography-mass spectrometry (GC/MS), or other comparably reliable analytical method, at the employee's request and expense, before the result will be used as a basis for any action by the Company. On site testing will be done by the standard test procedures. On site testing, at the employees' request and expense, may be confirmed by re-testing at an approved clinic.

IV. Notice

The Company's written Policy for testing shall be distributed to employees and be available for review by prospective employees.

V. Company Action

Upon receipt of a verified or confirmed positive drug or alcohol test result, which indicates a violation of this Policy, or upon the refusal of an employee or prospective employee to provide a sample, the Company may use that test result or refusal as the basis for disciplinary action, which may include the following.

- A. Termination of employment. A positive test will be cause for termination.
- B. Refusal to hire a prospective employee.

A positive test will be cause for termination. Refusal to take a drug test is cause for termination.

VI. Confidentiality

- A. All information, interviews, reports, statements, memoranda, or test results received by the Company through this drug and alcohol testing program are confidential communications and will be used only in a proceeding related to an action taken by the Company under Section V or in defense of any action brought against the Company.
- B. The information described in paragraph A shall be the property of the Company.
- C. The Company is entitled to use a drug or alcohol test result as a basis for action under Section V.

Disciplinary Matters

This company has rules, regulations, and procedures so that work can be done effectively and harmoniously. It is not possible to anticipate and list all conceivable rules or violations. Each situation is handled on an individual basis and the circumstances will be of great importance when deciding how to treat unacceptable behavior. However, those acts listed under “conduct” will result in disciplinary action at once.

VIII. Conduct

In addition to certain acts listed elsewhere in this “Policy Manual” as well as the “Health and Safety Manual”, the following actions are cause for immediate discharge. (We reserve the right to modify this list as may be required for safe and efficient operations.)

1. Inefficient or careless performance of duties.
2. Failure to respect the confidential nature of business records and information.
3. Altering, removing, or destroying business records and/or property.
4. Deliberate or careless damage to materials or products of business property.
5. Malicious gossip or derogatory remarks concerning any employee, business representative, or person(s) served. Fighting, threatening, use of abusive language or interfering with the performance of anyone’s job or duties.
6. Falsifying personal or business records, including employment application, time cards and other required employment information.
7. Repeated tardiness, unexcused absence, or abuse of medical leave.
8. Thefts of any kind from the company, fellow employees or persons served by our business. Carrying weapons or violations of any laws.
9. Possessing, drinking, or being under the influence of alcohol drugs on business premises.
10. Conduct endangering life, safety, or health of others or performance which, in the company’s opinion, does not meet requirements of the position, or is not in the best interest of the company and its employees and clients.
11. Failure to comply with business rules, regulations, and policies/procedures.
12. Personal advances and/or physical contact with other employees, or persons served, or of a nature not in keeping with your job duties and/or outside the bounds of acceptable behavior in a business setting.
13. Being charged by any law enforcement agency of D.W.I. or driving under the influence of a controlled substance while you are driving a company vehicle.

TERMINATION

An employee may be terminated at any time, during or after the orientation or probationary period, for any reason. Management has the sole discretion to continue or terminate employment.

At the time of termination a termination report will be completed. This report will be signed by both parties and placed in the employee's personnel file. Under the "Cobra Act" the employee may continue insurance benefits (if applicable) at the employee's expense.

FINAL PAY

When employment at the company is ended, the employee will be paid for actual days and hours worked up to the effective date. Hourly employees will be paid at their current hourly rate, commissioned and flat-rate employees will be paid for actual completed work. Salaried employee will be paid in proportion to their normal salary for actual days worked.

All final payment of wages will be subject to withholding for Federal Income Tax and FICA.

Final pay will be reduced by any amount owned to the company and this set off amount will be deducted from net pay.

All final paychecks will be paid on the next regular pay period.

Under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), if an employee is covered by the company's group health plan, the employee has a right to choose continuation coverage because of a reduction in hours of employment or termination.

If the spouse of an employee is covered by the group health plan, the spouse has the right to choose continuation coverage for any of the following reasons:

- (1) Death of the employee;
- (2) Termination of the employee or reduction in the hours of employment;
- (3) The employee becomes eligible for Medicare.

If a dependent child of an employee is covered by the group health plan, the child has the right to continuation coverage if group health coverage under the group health plan is lost for any of the following reasons:

- (1) Death of a parent;
- (2) Termination of a parent's employment or reduction in a parent's hours of employment with the company;
- (3) Parent's divorce or legal separation;
- (4) The parent becomes eligible for Medicare; or
- (5) The dependent ceases to be a "dependent child" under the group health plan.

The employee or family member has the responsibility to inform the company of a divorce, legal separation, or a child losing dependent status under the group health plan. The employee has sixty (60) days from the date coverage is lost to inform the company that continuation coverage is desired. If continuation coverage is not chosen, the employee's group health insurance coverage will end.

If the employee chooses continuation coverage, the coverage will be identical to the coverage provided under the plan to similarly situated employees or family members. The opportunity to maintain coverage is three (3) years. If group health coverage is lost because of termination of employment or reduction in hours, the required continuation coverage is eighteen (18) months.

Continuation coverage may be ended for any of the following reasons:

- (1) The company no longer provides group health coverage to any employee;
- (2) The premium for the continuation coverage is not paid;
- (3) Coverage occurs under another group health plan;
- (4) A covered employee becomes eligible for Medicare;
- (5) A divorce from a covered employee and subsequent remarriage and coverage under the new spouse's group health plan.

The employee, spouse, or dependent that chooses continuation coverage is responsible for the payment of the premium.

I understand that the employee manual is not a contract and may be revoked, modified or amended at the discretion of the management;

I understand that this employee manual is the property of Southwest Networks, Inc. and it cannot be copied or distributed without the express written consent of the owner.

I will return the employee manual in the event of my termination at the time of my "Exit Interview" when I receive all of the monies to which I am entitled.