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**ENERGY & TECHNOLOGY, CORP.**  
**TECHNICAL INDUSTRIES INC.**  
**AND GROUP OF COMPANIES**  
**COMPANY POLICIES**

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## **Hiring of New Employees**

- A) Back ground Checks: All new candidates' health, criminal, credit, and background may be investigated during the interview.
- B) The application and the results will be faxed to Lafayette for further processing by an independent agency such as Xelnet at 713-880-3693, or others.
- C) If all passes, the Administration Office will pass the results to the supervisors.
- D) All new employees must sign, and receive a Technical Industries, Inc., Company Policy Hand Book prior to hiring. The signed form shall be faxed to administration office.

## **101 Nature of Employment**

This handbook intends to provide employees with a general understanding of our personnel policies. Employees are encouraged to familiarize themselves with the contents of this handbook, for it will answer many common questions concerning employment with this organization.

However, this handbook cannot anticipate every situation or answer every question about employment. It is not an employment contract and not intended to create contractual obligations of any kind. Neither the employee nor the organization is bound to continue the employment relationship if either chooses, at its will, to end the relationship at any time.

In order to retain necessary flexibility in the administration of policies and procedures, the employer reserves the right to change, revise, or eliminate any of the policies and/or benefits described in this handbook. The only recognized deviations from the stated policies are those authorized and signed by the President of this organization.

## **102 Equal Employment Opportunity**

It is the policy of this organization that employment decisions shall be based on merit, qualifications, and competence. Except where required or permitted by law, employment practices shall not be influenced or affected by virtue of an applicant's or employee's race, color, religion, sex, national origin, age, or any other characteristic protected by law. In addition, it is the employer's policy to provide an environment that is free of unlawful harassment of any kind, including that which is sexual, age-related, or ethnic. This policy governs all aspects of employment, promotion, assignment, discharge, and other terms and conditions of employment. The employer has established an affirmative action program to initiate and promote equal employment opportunities throughout the organization.

## **Discrimination**

The Company is committed to providing a work environment free from discrimination for all persons regardless of: race, color, religion, sex, age, marital status, national origin, citizenship status, disability, or veteran status.

This anti-discrimination policy extends to all aspects of the employment relationship, including hiring, transfers, promotions, training, working conditions, compensation, benefits, and other terminations and conditions of employment.

The company complies with federal and state equal employment opportunity laws and strives to keep the workplace free from all forms of harassment, including sexual harassment and discrimination.

The Company considers discrimination in all forms to be a serious offense. Employees who have been subject to prohibited discrimination or harassment should immediately report the incident to their supervisor, or management. Complaints will be investigated immediately and handled in a confidential manner. The company ensures that employees following this complaint procedure are protected against illegal retaliation.

### **104 Nepotism and Hiring of Relatives.**

It is well accepted that employment of relatives in the same area of an organization can cause serious conflicts and problems with favoritism and employee morale. In these circumstances, all parties, including supervisors, leave themselves open to charges of inequitable consideration in decisions concerning work assignments, transfer opportunities, time-off privileges, training and development opportunities, performance evaluations, promotions, demotions, disciplinary actions, and discharge.

In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried into day-to-day working relationships.

It is this organization's policy that relatives of persons currently employed by the organization may be hired only if they will not be working directly for or supervising a relative.

If already employed, they cannot be transferred into such a reporting relationship. If the relative relationship is established after employment, the individuals concerned will decide who is to be transferred. If that decision is not made within 30 calendar days, management will decide.

In other cases where a conflict or the potential for conflict arises, even if there is not supervisory relationship involved, the parties may be separated by reassignment or terminated from employment.

For the purposes of this policy, a relative is defined to include spouses, parents, children, brothers, sisters, brothers-and sisters-in-law, fathers- and mothers-in-law, stepparents, stepbrothers, stepsisters, and stepchildren. This policy also applies to individuals who are not legally related but who reside with another employee.

### **105 Pre-Employment Physical Examinations**

After a job offer is extended and before beginning work, each employee must undergo a pre-employment physical examination and drug screen performed at the employer's expense by a physician of the employer's choice.

Continued employment is contingent upon satisfactory completion of the physical examination.

### **106 Immigration Law Compliance**

This organization complies with the Immigration Reform and Control Act of 1986 and is committed to employing only United States Citizens and aliens who are authorized to work in the United States.

As a condition of employment, each new employee must properly complete, sign, and date the first section of the Immigration and Naturalization Service Form I-9. Before commencing work, newly rehired employees must also complete the form if they have not previously on file an I-9 with this organization, if their previous I-9 is more than three years old, or if their previous I-9 is no longer valid.

### **107 Employment Categories**

It is the intent of the employer to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and the employer.

Each employee is designated as a NONEXEMPT or EXEMPT from federal and state wage and hour laws. Nonexempt employees are entitled to overtime pay under the specific provisions of federal and state laws. Exempt employees are excluded from specific provisions of federal and state wage and hour laws.

Technical Industries, Inc. is a service company and therefore each employee may find him or her self subject to 24 hours call and may be in addition to the above categories, and will belong to one other employment category:

Regularly full-time employees are those who are not in a temporary or probationary status and who are regularly scheduled to work the organization's full-time schedule.

Generally, they are eligible for the employer's benefit package, subject to the terms, conditions, and limitations of each benefit program.

Probationary employees are those whose performance is being evaluated to determine whether further employment in a specific position or with the organization is appropriate. Employees who satisfactorily complete the probationary period will be notified of their new employment classification.

### **108 Employment Reference Checks**

To ensure that individuals who join the organization are well qualified and have a strong potential to be productive and successful, it is the policy of the employer to check the employment references of all applicants.

We will respond to all reference check inquiries from other employers. Responses to such inquiries will confirm only dates of employment, wage rates, and position(s) held.

Employee may be informed of the inquiry. Employee approval to release the information may be requested according to the circumstances surrounding the inquiry.

### **109 Performance Evaluations**

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. A formal written performance evaluation will be conducted at the end of an employee's initial period of hire, known as the probationary period. Additional formal performance reviews are conducted to provide both supervisors and employees the opportunity to discuss job tasks, duties, and responsibilities and identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

The performance of all employees is generally evaluated according to an ongoing 12 months cycle, beginning of hire to the calendar year end.

Merit based pay adjustment are awarded by this organization in an effort to recognize truly superior employee performance. The decision to award such an adjustment is dependent upon numerous factors, including the information documented by this formal performance review process.

### **110 Cellular Telephones**

- 1- Technical Industries, Inc., will issue a cellular telephones to qualified company employees, and will cancel the usage of pagers.
- 2- All employees receiving a company cellular telephone will limit the usage of the telephone to Business usage.

- 3- Employee is allowed 500 billable minutes. Telephone calls between Energy & Technology, Corp., Technical Industries, Inc., and Group of companies' employees late night calls and weekends are limited according to cellular provider policies.
- 4- The box will include a telephone, battery, operating manual, wall charger, and cigarette lighter adapter.
- 5- The telephone has a speaker feature, pager, and many others, read your operating manual.
- 6- The employee must keep the box and papers for one year.
- 7- The telephone is usable nationwide, the phones have a Tri Mode feature, and are set on single mode.
- 8- No analogue roaming allowed.
- 9- Extra charge applies when analog mode is used.
- 10- Excessive Abuse and Unauthorized calls detected by the accounting department will be billed back to the employee. Repeated telephone abuse may lead to terminate his or her cellular telephone privilege, please use your telephone reasonably, and enjoy it.

### **111 New Employees & Re-hires Probation Period**

New Employees and re-hires are subject to a 3-month probation period, and are eligible for company benefits including Paid Vacation and Holidays pay. Vacation pay days count starts after the 3-month probation period, meaning if an employee begins working for Technical Industries, Inc., on January 1, 2004, his probation period ends on April 1, 2004, and he will be eligible for vacation pay on April 1, 2005. Employees shall not reveal or discuss their paychecks, pay-rates or benefits with other employees. Employees found discussing their paycheck, pay-rates and or benefits with others are subject to disciplinary actions, which may include termination.

### **112 Employee Benefits & Uniforms**

Eligible employees in this organization are provided a wide range of benefits. A number of the programs cover all employees in the manner prescribed by law.

Benefits eligibility is dependent upon a variety of factors, including employee classification, and your supervisor can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the employee handbook. The following benefit programs are available to eligible employees:

- Auto Mileage
- Bereavement Leave
- Family Leave
- Holidays
- Jury Duty Leave
- Vacation Benefits
- Voting Time Off
- 401(k)/Profit Sharing Plan

Some benefit programs require contributions from the employee, but the employer pays most.

Employees are not allowed to discuss their benefits or pay with employees not working for the payroll department.

Each employee shall provide his or her own uniform, all personal are to order company dress and other shirts through the company. Filed workers shall provide their own blue jeans and steel toe boots, hard hats and safety glasses are provide by the company and shall be returned to the office when leaving work. Any item owned by the company shall be returned to the company or paid for by the person who received it.

### **113 Vacation Benefits**

Vacation time off with pay is available to eligible employees to provide opportunities for rest, relaxation, and personal pursuits. Employees in the following employment classifications are eligible to earn and use vacation time as described in this policy:

#### Regular full time employees

The amount of paid vacation time employees receive each year increases with the length of their employment as shown in the schedule.

Years of eligible service	vacation days
1 year	5
3 years	10
10 Years	15

The length of eligible service is calculated on the basis of a "benefit year." after the completion of the three months probation period. The 12 months period that begins after the three months probation period, the three months probation may not be included towards the 12 months when the employee starts to earn vacation time. An employee's benefit year may be extended for any significant leave of absence except military leave of absence. Military leave has no effect on his calculation.

Once employees enter an eligible employment classification, they begin to earn paid vacation time according to the schedule. However, before vacation time can be used, a waiting period of 365 calendar days must be completed. After that time, employees can request use of earned vacation time including that accrued during the waiting period.

Paid vacation time can be used in minimum increments of one day. To take vacation, employees should request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.



Vacation time off is paid at the employee's base pay rate at the time of vacation. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

As stated above, employees are encouraged to use available paid vacation time for rest, relaxation, and personal pursuits. In the event that available vacation is not used by the end of the benefit year, employees will forfeit the unused time. An employee cannot sell its vacation time back to the company and must schedule in advance and have approval by management before any time off is granted.

Upon termination of employment, employees will not be paid for unused vacation time that has been earned through the last day of work.

### **114 Holidays**

The employer will grant holiday time off to all employees on the holidays listed below.

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

According to applicable restrictions, the employer will grant paid holiday time off to all eligible exempt employees immediately up on assignment to an eligible employment classification. Holiday pay will be calculated based on the employee's straight time pay rate times the number of hours the employee would otherwise have worked on that day.

A recognized holiday that falls on a Saturday will be observed on the preceding Friday. A recognized holiday that falls on a Sunday will be observed on the following Monday.

If a recognized holiday falls during an eligible employee's paid absence, vacation sick leave, holiday pay will be provided instead of the paid time off benefit that would otherwise have applied.

If an eligible employee works on a recognized holiday, he or she will receive holiday pay plus wages at his or her straight time rate for the hours worked on the holiday.

### **115 Sick Leave Benefits**

Employees who are unable to report to work due to illness or injury should inform his or her immediate supervisor before the scheduled work time if possible. This should be done on each additional day there after for injury or illness. If an employee is absent for more than three consecutive days due to illness or injury, a physician statement must be provided verifying the disability. Failure by the employee to inform his employer could lead to disciplinary action including possible termination.

Technical Industries, Inc. does not have a program in place where the employee accumulates sick leave time due to a schedule of time with the company or hours worked. An employee can use his vacation time, if the employee accumulates some, during his time of illness to continue to get paid. Excessive absenteeism can lead to disciplinary action including termination.

### **116 Bereavement Leave**

If an employee wishes to take time off due to the death of an immediate family member, the employee should first notify his or her supervisor immediately. Approval of bereavement leave will occur in the absence of unusual operating requirements. Any employee may, with the supervisor's approval, use any available paid leave for additional time off.

Technical Industries, Inc. bereavement leave does not provide compensation during the employee's time away from the office. Bereavement leave will be granted for immediate family only. Immediate family is defined as spouse, parent, child, sibling or the employee's spouse's parents, child, or sibling. Only the President of Technical Industries, Inc. can grant bereavement.

### **117 Jury Duty**

The employer encourages employees to fulfill their civic responsibilities by serving jury duty when required. If an employee is required to serve jury duty, he or she may use any available paid time off, for example vacation time.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate the employee's absence. Of course, the employee is expected to report for work whenever the court schedule permits.

Either the employer or the employee may request an excuse from jury duty if, in the employer's judgment, the employee's absence would create serious operational difficulties.

Accrual for benefits calculations, such as vacation or holiday benefits, will not be affected during unpaid jury duty leave.

### **118 Purchases**

All Purchases made for Technical Industries Inc. and affiliates requires prior approval from Management. The Company has the right not to accept the responsibilities or liabilities made on purchases without prior approval or without a written authorization or authorized purchase order and, the following procedure shall be followed:

All purchases shall include:

- 1- Not less than (3) bids.
- 2- Filled-up Requisition form and sign by the technician or the employee requesting the purchase including an explanation what the product or service will be used for.

- 3- The requisition shall be approved by an authorized employee.
- 4- Payments will be made after receiving and testing the product.
- 5- *Purchase of Pipe and equipment shall be done and include the following:*
  - a) *Footage, OD, Wall Thickness, weight per foot, Grade, Connection type and Range.*
  - b) *Price shall include Technical Industries, Inc. inspection full reports or other ISO Certified Company Acceptable to Technical Industries, Inc.*
  - c) *Mill Test Reports Acceptable to U.S. Standards.*
  - d) *Chemistry Test and Hydro-test Reports acceptable to U.S. Standards.*
  - e) *Manufacturer Product Liability Insurance.*
  - f) *Delivery Date.*
  - g) *Delivery Location,*
  - h) *Payment Terms.*
  - i) *Payment will be made after all above documents are delivered and accepted by Technical Industries, Inc. for the pipes that passed Technical Industries, Inc. inspection or company approved by Technical Industries, Inc. according to the industry **Good Footage Policy**. If defected pipe is found, the seller shall pay for the inspection and return the rejected pipe. Only good pipe will be paid for. Approvals must be in writing by an authorized person before a payment can be made. GMS Oct-18-2010*

6- Projects shall include:

- a) Approved drawings by the management.
- b) Bill or List of Materials including cost of each Item.
- c) Labor cost including man hours for each task, such Engineers (100) hours welders (50) hours, helpers (50) hours e.t.c.
- d) Procedures and Delivery date of each stage and final delivery date.

Anyone making unauthorized purchases is subject to disciplinary action up to and including termination. Theft of Technical Industries, Inc. property or unauthorized purchases that results in an individual personally benefiting from such a purchase is subject to disciplinary action up to and including termination and legal prosecution.

## 119 Timekeeping

All employees must follow Technical Industries, Inc. Time Card Policies Effective as of September 28, 2008, as follows:

### TO ALL EMPLOYEES:

1. The computer punch in and the time clock punch in must match. If both punch in does not match, there will be no pay.
2. If in-case you made a mistake during punch-in, or if you are facing problems punching in, please contact your supervisor immediately.
3. If your supervisor is not available, please make a note of it and report to Octavio or

Prabin.

4. All problems should be reported to Octavio on SAME day. Reporting of problems after 1 or more day(s) will not be acceptable.
5. Hand writing on time card will not be counted, unless signed by authorized person (supervisor, etc).

#### A TODOS LOS EMPLEADOS

1. La computadora de ponchar y el reloj de ponchar tendran que coincidir. Si las dos ponchadas no coinciden entonces no se les pagara.
2. Si acaso cometen un error al estar punchando para adentro o para afuera, o si Enfrentan problemas para ponchar, por favor notifique a su supervisor inmediatamente.
3. Si su supervisor no se encuentra, por favor tome nota y reporte a Octavio or Prabin.
4. Todos los problemas tendran que reportarse a Octavio en el mismo dia. Reportar los problemas despues de 1 dia o mas no seran aceptados.
5. Las tarjetas que tengan escrito a mano no seran validas, a menos que esten firmadas por una persona autorizada (Supervisor, etc).

Accurately recording time worked is the responsibility of every employee. Federal and state laws require the employer to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

All employees should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They should also record the beginning and ending time of any split shift or departure from work for personal reasons. Overtime work must always be approved before if is performed.

Tampering, altering, or falsifying time records, or recording time on another employee's time record may result in disciplinary action, including discharge.

All employees should report to work no more than five minutes prior to their scheduled starting time nor stay more than five minutes after their scheduled stop time without expressed, prior authorization from their supervisor.

It is the employee's responsibility to sign his or her time record to certify the accuracy of all time recorded. The supervisor will review and then initial the time record before submitting it for payroll processing. In addition, if corrections or modifications are made to the time record, both the employee and the supervisor must verify the accuracy of the changes by initialing the time record.

#### **120 Paydays**

All hourly employees are paid bi-weekly. Each paycheck will include earnings for all

work performed through the end of the previous payroll period.

In the event that a regularly scheduled payday falls on a day off, employees will receive pay on the last day of work before the regularly scheduled payday. Exemptions may apply on some employees if previously approved.

## **121 Employment Termination**

Since employment with this organization is based on mutual consent, both the employee and the employer have the right to terminate employment at will, with or without cause, at any time. Terminations are an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated:

A- Resignation- employment termination initiated by an employee who chooses to leave the organization voluntarily.

B- Discharge-employment termination initiated by the organization.

C- Layoff- involuntary employment termination initiated by the organization for non-disciplinary reasons.

Terminated employees will receive their final pay in accordance with applicable state law. Upon termination of employment, the employee shall return all company property in his possession, including computers, to the company as required by law. The employee shall also forward all unread emails and unanswered telephone messages to an employee designated by the C.E.O.

## **122 Company & Non-Owned Vehicles Policy**

Unauthorized use of company vehicles for personal use will not be tolerated.

Company vehicles are for company business only.

Drivers of the Company vehicle and Non-owned vehicles when used for company purpose are responsible for the following:

- A. The driver and all passengers must wear seat belts.
- B. The driver must obey all local and state laws and shall not drive under the influence of drugs or alcohol.
- C. The driver must follow the speed limits and all Company safety rules.
- D. The driver must document all fuel cost and log the mileage including dates and names of persons transported.

Glove compartment documents shall include the following.

- A. Company Vehicle policy.
- B. Company telephone number
- C. Vehicle Registration
- D. Insurance Card.
- E. Non-owned vehicles used for company purpose shall have 4 doors, may not be

over 5 years old and shall carry no less than \$500,000.00 of liability insurance.

If any of the above documents were missing, the driver shall immediately notify the supervisor and replace the missing item before driving the vehicle.

In the event of an accident, the driver shall report the accident to the supervisor and shall submit to an alcohol and a drug test.

Company vehicles (trucks & trailers) shall be washed and cleaned inside and outside before going to the job site.

All vehicles shall be kept in a condition that will ensure the best possible resale value and to promote a good Company image.

Company vehicles and non-owned vehicles shall be locked and secured when left unattended including.

Firearms are not allowed in Company vehicles.

No alcohol is to be in or near any Company vehicle including non-owned vehicles when used from Company purpose.

No personal or vacation usage of the company vehicles is allowed.

#### Yard Wagon

The Yard Wagon is assigned to the Shipping & Receiving (S & R) and Pipe Yard department only.

No one else is to use the Yard Wagon

S & R and Pipe Yard supervisor is responsible for the care of the unit.

S & R and Pipe Yard supervisor will designate the use of the unit to the needs of the yard and his duties.

When maintenance such as washing and general cleanup is needed, S&R people will handle it.

When oil and filter and greasing is needed the shop is to do it.

#### Company Car

1) Please have automobile serviced by Sears. ( The Shock Absorbers, Oil Change and Fluids Checked, Windshield wiper inserts and tires rotated is needed) Remember George Still want tree estimates from 3 different licensed Mechanic Shops.

2) Company cars must have current inspection

3) Make sure car interior and exterior is cleaned before picking up members at airport

4) Make sure oil is changed regularly by a licensed Oil change facility

5) Make Sure that the automobile is filled up when picking up guests, clients, and members of ENGT corporate Staff at the Airport.

6) Make sure the driver who drives to the airport drives up to plane and make all accommodations necessary to place luggage or any other carry on items in to our company vehicle.

#### **123 Severance Pay**

This organization does not grant severance pay to employees whose employment terminated. However, the organization reserves the right to make exceptions to this policy in its sole and absolute discretion.

## **124 Administrative Pay Corrections**

The employer takes all reasonable steps to assure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday.

In the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the employer so that corrections can be made as quickly as possible.

Once the error is identified, the error will be adjusted for in the next regular paycheck unless this presents a burden to the employee.

## **125 Work Schedule**

The normal work schedule for all employees is eight hours a day, five days a week. Supervisors will advise all employees of their times schedules will normally begin and end. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day or week.

## **126 Rest and Meal Periods**

Each workday, full time nonexempt employees are provided with two rest periods of 15 minutes in length. To the extent possible, rest periods will be provided in the middle of work periods. Since this time is counted and paid as time worked, employees must not be absent from their workstations beyond the allotted rest period time.

All full time nonexempt employees are provided with one meal period of 60 minutes in length each workday. Supervisors will schedule meal periods to accommodate operating requirements. Employees will be relieved of all active responsibilities and restrictions during meal periods and will not be compensated for that time.

## **127 Overtime**

When operating requirements or other needs cannot be met during regular working hours, employees will be given the opportunity to volunteer for overtime work assignments. All over timework must receive the supervisor's prior authorization. Overtime assignments will be distributed as equitably as practical to all employees qualified to perform the required work.

Overtime compensations paid to all nonexempt employees in accordance with federal and state laws at the following rates:

Straight time will be paid for a 40 hour workweek. Overtime is not paid until the employee reaches 40 hours in a one-week period.

As required by law, overtime pay is based on actual hours worked. Time off on sick leave, vacation leave, or any leave of absence will not be considered hours worked for purposes of performing overtime calculations.

Failure to work scheduled over time or overtime worked without prior authorization from

the supervisor may result in disciplinary action, up to and including possible discharge.

## **128 Medical Leave**

The employer will provide unpaid medical leave to eligible employees who are temporarily unable to work due to a medical disability. Employees in the following employment classification are eligible to use accrued vacation time as medical leave time:

Regular full-time employees.

As soon as an eligible employee becomes aware of a need for a medical leave of absence, a physician's statement shall be provided verifying the medical disability and its beginning and expected ending dates. Any changes in this information shall be promptly reported to the employer. Medical disabilities include all temporary disabilities associated with pregnancy, childbirth, and related medical conditions.

Employees returning from medical leave are required to provide a physician's verification of the employee's fitness to return to work. Employees who sustain a work related injury would be eligible for a medical leave of absence for the period of disability in accordance with all applicable laws covering occupational disability.

When medical leave ends, the employee will return to the same position or to a similar one for which he/she is qualified. If the previous position or a comparable one is not available, an effort will be made to offer another position that is available and suitable. Although every reasonable effort will be made to place an employee at the end of a medical leave, the employer cannot guarantee reinstatement in all cases.

If an employee fails to report to work promptly at the end of the medical leave, the employer will assume that the employee has resigned.

## **129 Personal Leave**

Personal leave without pay is available to eligible employees who wish to take time off from work duties to fulfill personal obligations. Employees in the following employment classification are eligible to use personal leave as described in this policy:

Regular full time employees.

Employees may request personal leave only after having completed (180) calendar days of service in an eligible employment classification.

Personal leave may be granted for a period of up to one calendar day every year. If this initial period of absence proves insufficient, consideration will be given to a written request for a single extension of no more than one calendar day. Pending the supervisor's approval, employees may take any available vacation leave prior to the effective date of the personal leave of absence.

Request for personal leave will be evaluated based on a number of factors, including anticipated operational requirements and staffing considerations during the proposed period of absence.

Accruals for benefit calculations, such as vacation or holiday benefits will not be affected by the taking of personal leave.



When personal leave ends, the employee will return to the same position or to a similar one for which qualified. If the previous position or a comparable one is not available, an effort will be made to offer another position that is available and suitable. Although every reasonable effort will be made to place an employee at the end of a personal leave, the employer cannot guarantee reinstatement in all cases.

If an employee fails to report to work at the expiration of the approved leave period, the employer will assume that the employee has resigned.

### **130 Military Leave**

A military leave of absence will be granted to employees, except those occupying temporary positions, to attend scheduled drills or training or if called to active duty with the U.S. armed services.

Employees will receive partial pay for two week training assignments and shorter absences. Upon presentation of satisfactory military pay verification data, employees will be paid the difference between their normal base compensation and the pay received while on military duty. The portion of any military leaves of absence in excess of two weeks will be unpaid. However, employees may use any available paid time off for the absence.

Subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible.

The accrual of benefits such as vacation or holidays will continue during a military leave of absence.

Employees on two weeks active duty training assignments or inactive duty training drills are required to return to work for the first regularly scheduled shift after the end of training, allowing reasonable travel time. Employees on longer military leave must apply for re-employment in accordance with all applicable state and federal laws.

Every reasonable effort will be made to return eligible employees to their previous position or a comparable one. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service, such as the rate of vacation accrual and job seniority rights.

### **131 Maternity Related Absences**

The employer will not discriminate against any employee who request an excused absence for medical disabilities associated with a pregnancy. Such leave request will be made and evaluated in accordance with the medical leave policy provisions outlined in this handbook and in accordance with all applicable federal and state laws.

Request for time off associated with pregnancy and or childbirth will be considered in the same manner as any other request for an unpaid personal leave.

### **132 Employee Conduct and Work Rules**

To assure orderly operations and provide the best possible work environment, the employer expects employees to follow rules of conduct that will protect the interests and safety of all employees and the employer.

All employees are to wear their hard hats, goggles and company shirts at all times when working. They may remove their hats when under the building. Employees are allowed to purchase as many additional shirts as they wish at cost, easy payments for no more than three shirts will be deducted from the employee's paycheck.

All employees operating a motor vehicle while on company property shall obey the posted 5 mile per hour speed limit.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, including suspension or termination of employment and possible legal action.

Theft or inappropriate removal or possession of property.

Falsification of timekeeping records.

Working under the influence of alcohol or illegal drugs.

Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer owned vehicles or equipment.

Fighting or threatening violence in the workplace.

Negligence or improper conduct leading to damage of employer owned or customer owned property.

Insubordination or other disrespectful conduct

Violation of safety or health rules.

Smoking in prohibited areas.

Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace.

Excessive absenteeism or any absence without notice.

Unauthorized absence from workstation during the workday.

Unauthorized use of telephones, mail system, or other employer owned equipment.

Unauthorized disclosure of business secrets or confidential information.

Negative comments regarding the company, other employees, equipment, and procedures made outside the scope of a disciplinary action or a legitimate complaint to the proper supervisor.

Violation of personnel policies.

Unsatisfactory performance or conduct.

Foul and abusive language will not be tolerated while on property owned, leased or operated by Technical Industries Inc., on or off duty.

Exceeding the posted speed limit not exceeding 10 miles per hour when operating a motor vehicle on company property.

Failing to wear proper safety equipment and company shirts when required.

Employment with this organization is at the mutual consent of the employer and the employee, and either party may terminate that relationship at any time, with or without cause and with or without advance notice.

### **133 Drug and Alcohol use**

Drug and alcohol use is highly detrimental to the safety and productivity of employees in the work place. No employee may be under the influence of any illegal drug or alcohol while in the workplace, while on duty, or while operating a vehicle or equipment owned or leased by the employer.

In accordance with The Drug Free Workplace Act of 1988, the employer must maintain a drug free workplace. Failure to comply with this law could jeopardize government funds this organization receives. The unlawful manufacture, possession, distribution, transfer, purchase, sale, use, or being under the influence of alcoholic beverages or illegal drugs while on the employer's property, while attending business related activities, while on duty, or while operating a vehicle or machine leased or owned by the employer is strictly prohibited and may lead to disciplinary action, including suspension without pay or discharge. When appropriate, the employer may refer the employee to approved counseling or rehabilitation programs.

Any employee engaged on government contract or grant work must comply with this policy as a condition of employment. Should an employee be convicted of a drug related crime that occurred in the work place, he or she must notify the employer within five days of the conviction. The employer is required to notify the appropriate government agency within ten days of the conviction. Appropriate Personnel action, including possible discipline and termination as well as participation in a drug abuse assistance or rehabilitation program, may result after notice of the conviction is received. Employees may use physician prescribed medications, provided that the use of such drugs does not adversely affect job performance or the safety of the employee or other individuals in the workplace.

Employees who voluntarily admit to having drug or alcohol problems that have not resulted in disciplinary action may be eligible for unpaid time off to participate in a rehabilitation program. Such a leave may be granted if the employee abstains from use of the problem substance while on leave, abides by all organization policies, rules, and prohibitions relating to conduct in the workplace.

The employer recognizes that employees may wish to seek professional assistance in overcoming drug or alcohol problems. Please contact your supervisor for more information about the benefits potentially available under the employee medical benefit plans and any possible referral sources.

### **134 Sexual and other Unlawful Harassment**

The employer is committed to providing a work environment that is free of discrimination and unlawful harassment. Actions, words, jokes, or comments based on an individual's sex, race, ethnicity, age, religion, or any other legally protected characteristic will not be tolerated. As an example, sexual conduct is a form of employee misconduct that is demeaning to another person, undermines the integrity of the employment relationship, and is strictly prohibited.

Any employee who wants to report an incident of sexual or other unlawful harassment should promptly report the matter to his or her supervisor. If the supervisor is unavailable or the employee believes it would be inappropriate to contact that person, the employee should immediately contact the General Manager or the President of the company. Employees can raise concerns and make reports without fear of reprisal. Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment should promptly advise the President, who will handle the matter in a timely and confidential manner.

The company does not permit or condone sexual relationships between employees unless they are married. This type of behavior could lead to disciplinary action up to and including termination.

Anyone engaging in sexual or other form of unlawful harassment will be subject to disciplinary action, up to and including discharge.

### **135 Attendance and Punctuality**

To maintain a safe and productive work environment, the employer expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on the employer. In the rare instance when an employee cannot avoid being late to work or is unable to work as scheduled, he or she should notify the supervisor as soon as possible in advance of the anticipated tardiness or absence.

Poor attendance and excessive tardiness or disruptive. Either may lead to disciplinary action, including termination of employment.

### **136 Privileged Information**

Technical Industries, Inc. considers certain types of information about its products, processes, employees, and customers as confidential and its disclosure to competitors or other members of the public could significantly harm the Company's interests. Employees are, therefore, forbidden to disclose any confidential information or other data learned in the course of employment to individuals not employed by either company, except with the company's written permission.

All confidential literature, drawings, designs, computer programs, etc. shall not leave the premises at any time, no exceptions. Employees who wish to remove confidential information from its storage location for the purposes of review or research must complete a sign in/sign out sheet prior to removal and upon return.

All communications by an employee on behalf of the company including but not limited to letters, Purchase Orders, emails, applications or any other form of communication

shall be previously approved by the management before an employee is authorized divulge or to submit information. No employee will be allowed to file any documents or commit the company to any liability, written or verbal, without a written prior approval by the proper management.

No third party engineer or inspector is allowed to be present when tooling and/or calibrating the VisonArray or Visonic™ unit and/or when the VisonArray or Visonic™ unit is ready to begin work.

Any employee who violates our confidentiality rules will be subject to discipline, up to and including immediate discharge. We also reserve the right to seek legal recourse for violations of its confidentiality policy by employees or former employees.

### **137 Proper presentation of the Company**

The rules followed in the presentation of a company are not to mention the following:

- A- Who invented what, and who did what.
- B- Methods, processes and procedures.
- C- Who is working on what projects, and how the project is done.
- D- The number of employees.
- E- Number of forklifts.
- F- Number of units.
- G- Acreages.

The proper way of presenting a company is by stating:

- A- The company invented.
- B- The company did.
- C- Elaborate on the large amounts of money the company spent in order to develop the products.
- D- The important projects the company accomplished.
- E- The unique capability of the company.

As you can see, the above (6) items mentioned the company (6) times.

The power point presentation approved by management shall be followed during a presentation, and no deviation will be allowed.

### **138 Technical Adjustments.**

Whenever we encounter a job that requires technical modifications we are to do the following:

- 1- Inform the customer that of a technical adjustment is needed to do a job, and that the administration will relay the charge for that adjustment.
- 2- The nature of the technical adjustment is a trade secret, and is not to be revealed to the customers, "some customers believe we owe them a royalty if we use the adjustment on other customers". Therefore, we make it clear that the adjustments are Technical Industries, Inc., trade secret, the customers are welcome to verify calibration, but they are not welcome to know what we had to do, to get it to work.

All test joints must be run on 3-D Visonic™ before cutting any notches. Notch must be cut in an exact place. If the pipe is found to be eccentric, it can be used as a test joint.

### **139 Technical Difficulties.**

If we encounter a technical difficulty, the matter MUST remain and resolved inside the company only between the need to know persons. The matter shall not be discussed with anyone outside the company or any employee not required to know.

### **140 Maintenance:**

- A) A maintenance schedule shall be printed and laminated then posted on the wall of each unit, and a detailed spare parts list must be kept on hand, and must include all the necessary parts needed to operate. All broken parts shall be fixed or replaced immediately.
- B) Each unit must include a detailed toolbox with an inventory list of all the tools. The inspector must sign for the tools, and be held responsible for their safekeeping.

### **141 Communications with Competitors, Customers and or Visitors.**

- 1- When anyone not permitted to work in operations area arrives at the front office, he or she shall not be allowed in the back without the General Manager or Operations Manager permission.
- 2- All new visitors to the Houston facility shall register at the front office and shall be shown the Power Point presentation on the Visonic™ program before touring the facility. All visitors to the Lafayette office shall be asked their name and the nature of their business and shall be asked to wait in the front reception area until they are received by the proper party.
- 3- No one is to talk to any of our competitors with out a previous permission of the General Manager or the Operations Manager permission and must limit the conversation to the topic previously authorized to discuss.
- 4- The Visonic™ or the O.D. Ovality imaging systems may not be demonstrated to any of our competitors.
- 5- Company business is confidential, and on a need to know basis, and must not be repeated to anyone. When anyone from an outside firm calls or appears in person requesting information that we do not normally volunteer to the general public, such as financials, credit information, tax information, etc., do not give out any information. Instead, take down the person's name, telephone number, and the company they represent and tell them that we will refer the question to the appropriate person who handles that type of matter and that they will get back in touch with them promptly.
- 6- Employees are not allowed to sign contracts, letters, or any other agreements or written communications on behalf of the company without authorization from the C.E.O. *or the lawyers of the company.* GMS Oct-19-2010
- 7- Technical Industries, Inc. policy does not allow the employees to relay messages or schedule work between the customers and their employees, third party inspectors or contractors. When a client request from our employee to schedule their

contractors for work, the employee shall apologize and inform the customer of this policy.

#### **142 Vendors Invoices:**

All vendors shall be instructed to forward all invoices for payment directly to Technical Industries, Inc., P.O. Box 52523 Lafayette, LA, 70505. Do not use the Channel View P.O. Box. Inform all vendors presently using the box, to stop, and mail the invoices to the Lafayette Box.

#### **143 Cash Loans to Employees:**

Travel arrangements and Hotel and Airlines or other travel Bookings shall be made by the Lafayette office. Each person will be allowed the per day meals rate. All travel and expenses shall be pre-approved by the management.

It is the Company policy not to loan Company money to its employees. Supervisors are to discourage their workers from requesting loans.

#### **144 Employee Payroll Information:**

Employee's payroll information is confidential. As previously stated in paragraph 111 Company policy prohibits employees from discussing their paychecks, pay-rates and or benefits with other employees. In the event of a mistake in his/her pay check, the employee shall report the error to his/her supervisor. The supervisor will address the matter with Technical Industries, Inc payroll department for correction. Employees found discussing their paycheck, pay-rates and or benefits with other employees are subject to disciplinary actions which may include termination.

#### **145 Electronic and Font used in writing and Communications:**

*All emails shall be written in Arial Font and shall include a subject. All documents shall include a name beginning by the name of the company or the person it is concerning, description of the subject, cost and date example: BP Estimate 10,000' 4.5 OD TI-18, FLD & SEA 11.7 lb/# P110, LTC May 15-2010. All letter shall be written in BLOCK FORM Arial Font and shall list:*

- 1- *Date*
- 2- *Name of Person addressed to.*
- 3- *Company name, address, telephone, fax and email. GMS Oct-19-2010*

All electronic communications shall be written in Arial font. Electronic communication includes email, faxes, chats, documents, excel sheets, etc.

When an employee of our group of companies write or enters a telephone number one shall make sure to make it very simple by only using space for area codes. Parenthesize or under scores or periods are **NOT Allowed** ( ) or ( - ) or ( . ) simple write i.e. 337 984 2000 or 281 862 2800.

**146 Employee Acknowledgment Form:**

The employee handbook describes important information about this organization, and I understand that I should consult the personnel Department regarding any questions not answered in the handbook.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the President of the organization has the ability to adopt any revisions to the policies in this handbook.

I have entered into my employment relationship with this organization voluntarily and acknowledge that there is no specified length of employment. Accordingly, either I, or the organization can terminate the relationship at will, with or without cause, at any time. This Company Policy Handbook was put into effect on September 1, 1998 and is retroactive, thus do apply on previous time served with the company. The Company will recognize the seniority of employees but all benefits will apply from September 1, 1998 forward.

I do the undersigned hereby acknowledge that all tools, equipment, advances made and assigned to me are my responsibility, and I hereby agree to return or pay for the tools, equipment, abuse of telephones and all other obligations owed and that event do hereby authorize the amount of ( ) to be deducted from pay check.

Furthermore, I acknowledge that this handbook is not a contract of employment. I have received the handbook and I do hereby confirm that I have read and will continue to read and comply with the policies contained in this handbook and any revisions made to it.

Technical Industries, Inc. is a Louisiana based corporation. I do hereby agree that the legal jurisdiction and the applicable laws to my employment are the laws and subject to the jurisdiction of the State of Louisiana, the City and Parish of Lafayette.

Employee Signature

Date \_\_\_\_\_

Print employee name

Company Representative