



EMPLOYEE HANDBOOK

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Disclaimer

Employers have an obligation and responsibility to inform their employees of certain Federal and State laws and regulations that govern the workplace. These laws and regulations are subject only to the interpretation and implementation of the laws of the land and as such, are not all subject to collective bargaining. It is the sole intent of Star Truck Rentals Inc., and Star Employee Leasing, LLC, a wholly owned subsidiary of Star Truck Rentals, (also referred to throughout this employee handbook as “Star”), to provide you with this publication in order to meet its obligations to inform and educate its employees and to address expected behaviors and responsibilities.

Of course, there are other policies and practices that help to define the workplace culture at Star that are not addressed in the Collective Bargaining Agreement governing some work rules between Star and the International Brotherhood of Teamsters Local 406.

Where there is not specific Contract language to govern workplace practices at Star, the business reserves the right to apply its own rules and regulations when dealing with union and non-union employees alike, in an effort to be fair and consistent in its dealings with all employees via this employee handbook.

None of these policies should be viewed as limiting or infringing upon an employee’s rights, conduct, or communications where such activity would be protected under federal or state law including under the National Labor Relations Act. Star reserves the right to modify this handbook and the policies contained within it at any time without notice to employees.

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100 INTRODUCTION

101 *Welcome Message*

Welcome to **Star Truck Rentals Inc., and Star Employee Leasing, LLC**, hereafter referred to throughout this Employee Handbook as “Star” or the “Company.” We are pleased to have you as a member of the Star team and we believe you can make an important contribution to our future. Every employee, individually and as a team member, has an important role in our operations and we value the abilities, experience and background that you bring with you to our Company, it is our employees who provide the services that our customers rely upon and enable us to grow and create new opportunities in the years to come. We are glad you have joined us, and we hope you will find your work to be both challenging and rewarding.

102 *History of Company*

Star Trucks Rentals, Inc. started in the 1860's, making it one of the oldest family owned transportation companies in America. The company was originally organized as Star Baggage Company named after Mr. Star himself, and was comprised of a mere handful of horses and wagons hauling baggage to and from the train depot. It was not until 1916 that the antecedents of the current owners became involved in the company. Harry, Peter and Andy Bylenga, then employed by Railway Express Company, purchased Star with money loaned to them by their mother. Their brothers Ed and Connie soon joined in.

Star was then comprised of several horses and wagons engaged in the hauling of baggage to and from the train depot. The name was changed to Star Transfer Line and their father, Cornelius Sr., was made Honorary President. With the advent of the motorcar and truck, the company began to use more trucks in their operation and soon grew to be a respected local cartage, warehousing and contract carriage company in and around Grand Rapids.

In about 1933, the Bylenga's purchased Interstate Motor Freight System, which was then in bankruptcy. Over the ensuing years, Interstate became a carrier of national dimensions. In fact, during the Second World War, it was the largest common carrier in the country. One of Interstate's accomplishments was to be chosen as the civilian carrier who supplied the non-military needs such as food, etc... to the army when it went on maneuvers as part of the hurried mobilization that took place just before the war.

During these same years, they began investing in Associated Truck Lines, also struggling to stay solvent, and became the major force behind that company as well as saw it become the largest intrastate carrier in Michigan, and later become a large regional carrier. Unfortunately, as a result of these heavy concentrations of trucking power in the hands of one family, the Federal Trade Commission, in the mid-1940's, ordered them to reduce their control over these companies. The decision was made to sell Interstate Systems, then at the peak of its success, and to concentrate their efforts on the challenge that confronted them at Associated.

Meanwhile, Star continued its growth as a contract carriage company. During these years, Star was under contract with Kroger. For eight years, the company held the State Liquor Distribution contract.

A major source of revenue for Star resulted from its connections with Interstate and Associated, as a supplier of equipment. Under contract with Associated and pursuant to their operating authority, Star operated Associated Steel Hauling division for about 15 years. At one time, the company ran as many as 30 double-bottom flatbeds (tractor-trailer-pup) on a 24-hour-a-day non-stop basis between Muskegon and Detroit and Grand Rapids. Another major source of revenue through the years was Spartan Food Stores. Star acted for about 30 years as the sole contract carrier and lessor for Spartan with more than 200 units dedicated to their service.

Today Star Truck Rentals is honored to serve over 1000 commercial accounts, including several Fortune 500 corporations. We can proudly say that Star has been affiliated with the National Truck Leasing System for 55 years, and is the oldest Michigan member. Star now boasts seventeen branch locations—Kentwood, Comstock Park, Kalamazoo, Muskegon, Traverse City, Gaylord, Flint, Battle Creek, Saginaw, Cadillac, Lansing, Jackson, Plymouth, Holland and Warren, Michigan. Also, there is one location in Goshen, Indiana. The corporate office is located in Grand Rapids, Michigan.

103 **Basic Corporate Beliefs**

Every organization has certain beliefs and premises upon which all policies and actions are based. Star believes that one must have an understanding of these basic corporate precepts in order to enjoy a sense of belonging, accomplishment, and pride in his or her work.

The skills and resources needed to meet today's increasingly difficult climate, legal and operational complexities, and proliferating competition pose a monumental task. If this organization is to survive and prosper in today's economy, it is essential that every worker recognizes and understands (1) what this company stands for; (2) the goals and values which we must share and address; (3) the importance that we place on our most important resource, our employees, and how they relate to the company.

These three fundamental areas of concern may be satisfied by adherence to certain underlying principles. These are:

- ❖ To respect the dignity and the rights of each person in this organization;
- ❖ To build a sense of loyalty, belonging, and mutual respect among members of this corporate family;
- ❖ To advance honest and open channels of communication between all employees;
- ❖ To address the importance of personal growth and equal opportunity for every worker by, among other things, promotion from within and training;
- ❖ To furnish fair and reasonable compensation and fringe benefits to all qualified employees;
- ❖ To be a responsible corporate citizen and contribute to the well-being of the communities in which we operate;
- ❖ To strive for excellence in every task we undertake;
- ❖ To undertake our business with the highest degree of integrity and fair play;
- ❖ To provide the best possible customer service at a reasonable, fair price;
- ❖ To give intelligent, responsible and capable direction to the business;
- ❖ To sustain a respectable rate of growth;
- ❖ To realize a reasonable return on investment to shareholders.

104 **Employee Handbook Definitions**

For the purpose of this Employee Handbook, the following terms are defined as follows:

Star Truck Rentals, Inc. Corporate Office - The corporate office is located at 3940 Eastern Ave SE, Grand Rapids, MI 49508, and serves as the base of operations for the Accounting, Customer Service, Human Resource, Purchasing, IT, and Sales Departments.

Hire/Anniversary Date - The date of an employee's first day of employment with Star. This date is used to compute certain employee benefits.

Employee - An individual who is employed by Star as a full-time, part-time, or temporary worker as defined in *200 Employment Classifications*. Independent contractors and individuals employed by temporary employment agencies who are assigned to work at Star on a short-term basis are not considered employees.

Management - An individual who has been designated by the Company to direct a division or department.

Supervisor - An individual who has been designated by the Company to assign, direct, and/or appraise the work of a designated group of employees.

105 ***Employee Handbook Disclaimer***

Employment Contract - The policies, procedures, and rules set forth in this Employee Handbook are not intended to be all-inclusive. The Employee Handbook should therefore not be interpreted as forming an express or implied contract of employment.

Policy Exceptions - The Employee Handbook should not be interpreted as a guarantee that the policies discussed in it will be applied in all cases. At its sole discretion, the Company may make exceptions to its policies from time to time.

Policy Interpretation - The Company reserves the right to make the final decision as to the interpretation of all information presented in this Employee Handbook.

Compliance with Government Regulations - Star has made every effort to ensure the policies in this Handbook are in compliance with all federal, state, and local employment laws and regulations. In the event that a federal, state, or local regulation conflicts with any provision contained in this Employee Handbook, the appropriate law or regulation shall prevail and the provision deemed amended to the extent necessary to comply with the applicable law or regulation.

Conduct that is protected under the National Labor Relations Act is not prohibited by this Employee Handbook or the policies of Star. Nothing in this Employee Handbook is intended or will be interpreted or applied, to interfere with, restrain, or prohibit employees from exercising their rights protected under federal and state regulation, including the labor law right to discuss wages, hours or other terms and conditions of employment and to engage in other concerted, protected activity. This Employee Handbook is intended to comply with all federal, state, and local regulations, and will not be interpreted, applied or enforced in a manner that violates such regulations.

106 ***Purpose of Employee Handbook***

Purpose - The purpose of this Employee Handbook is to familiarize employees with the Company and to communicate important information about many of the personnel policies that affect employment and guide daily operations. The Employee Handbook provides an overview of the Company's policies and procedures and sets expectations for performance, communication and conduct, as well as outlining specific employee benefits. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described.

Previous Employee Handbook - Unless otherwise notified, this Employee Handbook supersedes and replaces any and all previous Employee Handbooks issued by the Company and verbal or written policy statements.

Employee Responsibility - The Employee Handbook answers many questions about employment with Star. Each employee is therefore expected to read, understand, and comply with all provisions of this Employee Handbook. Because the Employee Handbook serves as an excellent source of information, it should be retained for future reference.

Questions - An employee is encouraged to contact Human Resources with any questions regarding the information provided in this Employee Handbook.

107 ***Employee Handbook Revisions***

Policy Statement - The Company reserves the right, at its sole discretion to interpret, change, modify or rescind any section of this Employee Handbook at any time with or without cause or notice, with the exception of the employment-at-will policy.

Employee Handbook Updates - Every effort is made to keep the information in this Employee Handbook up-to-date. From time to time, however, policies may be added, revised, or revoked before a written revision is made to the Employee Handbook.

An employee is responsible for updating his or her own Employee Handbook with any new and revised policies that are issued by the Company.

200 EMPLOYMENT CLASSIFICATIONS

Policy Statement - Each employee is classified as full-time, part-time, *variable hour* part time or temporary. Each position is also designated as exempt or non-exempt from minimum wage and overtime requirements in accordance with federal and state regulations. Employees are notified of their employment classification and exempt/non-exempt status at the time of hire and if changed during the course of employment. For the purpose of this Employee Handbook, the following terms are defined as follows:

201 **Full-Time Employees**

A full-time employee is an employee who is hired for a continuing, unspecified period and is regularly scheduled to work thirty (30) hours or more per week.

202 **Part-Time Employees**

A part-time employee is an employee who is hired for a continuing, unspecified period and is regularly scheduled to work less than thirty (30) hours per week.

203 **Variable Hour Employees**

A variable hour employee is a part-time employee who is hired for a continuing, unspecified period in an on-call capacity and will work hours as requested, but does not exceed 29 hours a week.

204 **Temporary Employees**

A temporary employee is an employee who is hired to supplement Star workforce on a short-term basis. A temporary employee may work full- or part-time hours/varying hours each day/week based on business needs. Employment beyond any initially stated period does not imply a change in employment classification nor does the Company guarantee employment for any set period of time.

205 **Interns**

An intern is a student, enrolled in an educational program, who participates in a field placement and/or work experience program with the Company. This experience is not a guarantee of future employment with the Company, but rather a platform for a work-related learning experience.

206 **Apprentices**

An apprentice is an employee who is part of an informal, non-degree-granting program, who has been hired to learn a craft from other seasoned employees, with the expectation that they will master that craft and become a contributing employee, although, there is no guarantee of future employment.

207 **Exempt Employees**

An exempt employee is an employee whose position meets specific tests established by the Fair Labor Standards Act (FLSA) and applicable state law for an exemption from federal and state minimum wage and overtime provisions. In accordance with these regulations, an exempt employee is not eligible for overtime compensation. Inside commission salespeople may also be exempt from the overtime provisions if certain criteria are met but are still subject to the minimum wage requirements.

208 **Non-Exempt Employees**

A non-exempt employee is an employee who is subject to federal and state minimum wage and overtime provisions. In accordance with such regulations, a non-exempt employee is paid the current statutory minimum wage or higher and overtime compensation when more than 40 hours are worked during a workweek.

300 EMPLOYMENT POLICIES

301 *Employment-at-Will*

Policy Statement - Star follows the practice of employment-at-will. The Company does not promise or guarantee employment for any specified period of time. Either an employee or the Company may end the employment relationship at any time, for any reason, with or without cause or notice.

Employment Contract - A supervisor does not have the authority to enter into a verbal or written employment contract with an applicant or employee. The President is the only Company representative that has the authority to enter into a binding employment contract. Any such employment contract must be in writing and signed by both the President and the employee. No other oral or written statements or representations can limit Star's right to terminate employment-at-will.

302 *Hiring Practices*

Selection Process - Star selects and hires individuals on the basis of many factors including, but not limited to, their ability, experience, education, skills, and cooperative spirit. The selection process includes written application, personal interviews, reference, and background checks.

Employment Application - All applicants are required to complete an *Employment Application*. Applicants must provide complete and accurate information regarding their qualifications on this form. Misrepresentations or omissions on an *Employment Application* may remove an applicant from consideration for employment, or if already hired, subject the employee to termination of employment.

Background Checks - Prior to making an offer of employment, the Company may conduct a job-related background check of the data provided on the employment application (ie; prior employment verification, education confirmation, and other verification of statements and skills claimed on the application and/or the resume. After making a conditional offer of employment, the Company may conduct drug screening, criminal background, Motor Vehicle Records Checks, and/or credit checks, as permitted by law. Third-party services may be hired to perform these checks. All offers of employment and continued employment are contingent upon a satisfactory background check.

Criminal Convictions - Any criminal background check will be conducted in compliance with the Fair Credit Reporting Act (FCRA). A criminal conviction does not necessarily bar an applicant from employment, and the applicant will be provided with the name of the agency conducting a background check at their request. Employment decisions based on criminal convictions take into consideration many factors, including but not limited to, the extent to which the offense relates to the functions of the particular job, the seriousness of the offense, rehabilitation, length of time since the conviction, etc. Further, a criminal background check will be conducted on all individuals hired, promoted, or reassigned, to ensure a safe and secure workplace for all employees and the public.

Former Employees - A former employee may be considered for re-employment with Star based on the reason for the previous separation and the Company's current business needs. An employee who resigns without submitting or fulfilling the requested notice or who is terminated for misconduct is generally not considered for re-employment.

Re-employment is subject to the following:

- The re-hired individual is considered a new employee effective on the date of re-employment and a new orientation period must be completed. Union employees should refer to the CBA for details on this process;
- Eligibility for group insurance programs is the same as for all new hires;
- Prior service under the retirement plan is restored in accordance with government regulations and the terms of the plan; and
- With the exception of the retirement plan and specified language in the collective bargaining agreement, there is no credit for prior service for purposes of seniority or paid leave benefits. Union employees should consult their CBA for additional information.

Minors - Individuals who are 14 to 17 years of age may be employed by the Company in accordance with federal and state regulations regarding child labor.

303 Orientation Period

Policy Statement - All new and some rehired employees participate in an orientation period that is conducted by the employee's supervisor and the Human Resource Department. The purpose of the orientation period is to welcome new employees and familiarize them with the Company. Throughout the orientation period, new employees are given the opportunity to learn their job duties and demonstrate satisfactory performance and attendance.

Length - The orientation period generally extends for the first ninety (90) days of employment. The Company reserves the right to extend or shorten the orientation period at its sole discretion.

Topics Covered - Topics normally covered during the orientation period include, but are not limited to, a tour of the building, distribution and review of this Employee Handbook, and enrollment in Company-sponsored benefits, if applicable. In addition, the employee's supervisor is responsible for introducing the employee to coworkers, scheduling on-the-job training, and reviewing the job description and performance requirements of the position.

Performance Appraisal - Throughout the orientation period, the employee's supervisor monitors and evaluates the employee's job performance, work habits, attendance, cooperation, and potential for development in the position so that any concerns can be addressed with the employee. The supervisor also determines if continued employment is appropriate.

Employment Contract - The orientation period is not a contract of employment for any set period of time nor does completion of the orientation period guarantee continued employment or alter the at-will employment relationship.

Employee Training & Certification - If an employee is sent for training or CDL road testing, Star will pay 100% of cost. If an employee terminates employment before 1900 hours of work, a prorated proportion of the expense incurred by Star will be repaid to Star. Employees bound by such requirements will be expected to sign a separate agreement stipulating this understanding.

304 *Performance Appraisals*

Policy Statement - Each and every employee contributes to the success or failure of our Company. We expect everyone to perform to the highest level possible. Poor job performance can lead to discipline, up to and including termination. Star has implemented a performance review program to evaluate each employee's job performance. We hope that, through these reviews, our employees will learn what we expect of them, and we will learn what they expect of us.

The purpose of the performance appraisal program is to recognize an employee's achievement of established performance standards and development goals, address any areas where the employee may not be meeting performance standards, encourage career development, and set goals for the next appraisal period. Another important component of the performance appraisal program is the opportunity for an employee to address any questions, concerns, or suggestions about the job or the Company with the employee's supervisor.

Employment Decisions - An employee's performance appraisal can be a factor in decisions affecting transfer, promotion, compensation, layoff, and disciplinary action. However, performance appraisals do not guarantee continued employment or otherwise alter the at-will nature of the employment relationship.

Wage Adjustments - An employee does not automatically receive a pay increase at the time of a formal appraisal. Any pay increase received is based on merit and financial capability of the Company.

Frequency - A newly hired employee generally receives an evaluation of the employee's job performance at the completion of 90 days and at 180 days. Thereafter, informal performance discussions occur throughout the year and formal appraisals are conducted annually.

Leaves of Absence - The annual performance appraisal is based on 12 months of active service. If an employee's service with the Company is interrupted by a leave of absence or temporary layoff, the performance appraisal is generally delayed by the length of the absence.

Promotions and Transfers - A written performance appraisal is generally conducted at the time an employee is promoted or transferred to a new position. Thereafter, an employee's appraisal date is adjusted to the anniversary date of the promotion or transfer.

305 *Promotions and Transfers*

Policy Statement - Star encourages the career development and growth of employees through promotions and lateral transfers to other positions within the Company for which they are qualified.

Job Vacancies - When there are job vacancies, management will consider any current employees who possess the minimum qualifications required for the position. An employee who is interested in being considered for a job vacancy should notify the employee's supervisor and the Human Resource Department. Union employees who want to bid on a position within the Company should consult the Collective Bargaining Agreement. In order to ensure the most qualified person is hired, the Company reserves the right to recruit external applicants for any job vacancy at any time.

Eligibility Requirements - For employees to be promoted, they must demonstrate they have the basic skills and abilities, an agreeable attitude, a record of above average performance on prior jobs, satisfactory attendance and tardiness records, a demonstrated willingness to learn, and other positive attributes of a satisfactory employee. Promotions are not based solely on length of service. Exceptions to the requirements may be considered on a case-by-case basis.

Application Procedure - An employee who is interested in applying for a promotion or transfer must submit a letter of interest to Human Resources.

Unsatisfactory Performance - If an employee does not perform satisfactorily in the new position, the employee may be returned to the original job held, if a vacancy exists, or is subject to termination, at the Company's sole discretion.

306 **Separation from Employment**

Notice of Resignation - An employee who elects to resign or retire from employment with Star is asked to submit a written notice to the employee's supervisor no less than two (2) workweeks before the date of resignation/retirement is to be effective. Supervisory staff are also asked to give at least two (2) workweeks written notice. The resignation letter should include the reason for resigning and the date the resignation is to take effect.

An employee is generally not allowed to rescind a verbal or written notice of resignation once it has been submitted to the employee's supervisor.

Completion of Notice Period - When a resignation notice is submitted, the Company reserves the right to waive some or all of the notice period at its discretion.

Use of Paid Benefits - An employee will not normally receive authorization to use credited, unused vacation, or personal leave during the notice period unless the time off was approved before the notice of resignation was submitted. To receive paid sick leave during the notice period, an employee may be required to provide verification of the illness from the employee's health care provider.

Exit Interviews - Exit interviews are generally conducted by Human Resources in order to discuss cancellation of employee benefits, COBRA eligibility, return of Company property, and/or Star policy regarding employment references. The exit interview also provides an employee the opportunity to ask any employment-related questions and give suggestions, concerns, and constructive recommendations about the Company and its policies.

Return of Company Property - All Company property in the employee's possession, such as, but not limited to, customer and Company files (e.g., electronic and paper files), equipment, name badge, keys, smartphones, computers, vehicles, credit cards, uniforms, and Company-issued clothing, must be returned to the employee's supervisor in good working order when requested, but no later than the employee's last day of work. If an employee fails to return any Company property, the Company may initiate legal proceedings or other appropriate and legal action, including payroll deduction if permitted by state law.

Credited Benefits - Refer to the *Employee Benefits Section* to review the vacation, sick, and personal leave policies for information regarding forfeiture and/or payment for benefits at the time of separation from the Company.

Final Paycheck - An employee's final paycheck for all hours worked is provided on the next regularly scheduled payday after the employee's last day of work. The final check is created as a manual check that must be picked up from your work location. Refer to the applicable time off policy in *Section 900* for information regarding payment for credited, unused vacation, sick, and/or personal leave at the time of separation.

401 *Confidentiality of Company and Employee Records*

Policy Statement - All Company and customer information is to be treated with discretion and confidentiality. An employee is prohibited from discussing, photocopying, duplicating, recording, or otherwise revealing Star information or customer information that is not generally known to the public in any form to anyone outside the Company. Disclosure of confidential or sensitive information via any software application or text message is prohibited – this includes taking or sending pictures of such information. The proper use and disclosure of sensitive information applies to both current and former employees.

Confidential Information - All records and files maintained by the Company are confidential. This confidential information includes, but is not limited to: personnel records, medical information, trade secrets, and information relating to customers, product development, processes, know-how, designs, drawings, formulas, test data, marketing data, financial information, business plans and strategies, training materials, negotiations and contracts, sales data, inventions, discoveries, and any other proprietary information. Confidential information does not include employee compensation or other terms or conditions of employment.

Confidential information may be in physical form or may be learned through conversations with others regarding Star or its customers. Confidential information obtained as a result of employment with Star and from contact with customers is considered proprietary and can only be used in the course of employment with the Company.

All company information, whether generated through a personal or corporate device, belongs to the employer, not to the employee, and is subject to company policies limiting use and disclosure of such information. Confidential information should only be shared with other employees within the Company who have a business need to receive such information. Confidential information should not be disclosed to external parties, including customers, family members, and friends, except as authorized by Star or as required or allowed by government regulation.

Company Property - All confidential information and products developed by an employee or vendor, such as, but not limited to, computer programs, designs, or inventions, remain the sole property of Star.

Personal Identifying Information - The Company does not publicly post, display, or share an employee's personal identifying information with the general public nor are employees allowed to divulge such information. For the purpose of this policy, personal identifying information includes, but is not limited to, social security number, home address or telephone number, personal e-mail address, Internet name or password, parent's surname prior to marriage, or drivers' license number.

Change in Employee Status - The company will maintain employee personnel records, as required by law and deemed essential for efficient operation. Employees are to promptly report any changes in any of the following to their department heads, supervisor or Human Resources:

- Name, address, telephone number;
- Marital status or dependents;
- Person(s) to notify in case of emergency;
- Physical or other limitations;
- Military Status Change
- Retirement plan or life insurance beneficiary; and
- Insurance coverage (including adding or removing spouse [legally married] and children).

Branch managers and supervisors are responsible for forwarding any information that they receive to the Human Resource Department in a timely manner.

Security and Removal of Confidential Information - Employees are responsible for properly securing and maintaining confidential information obtained or learned during employment. This includes confidential information stored on smart phones, flash drives, wireless devices, and laptops, as well as home computers that are used to conduct Star business. Employees must exercise caution when using a wireless device for business purposes in public areas to ensure that confidential information cannot be viewed by others or that equipment is not stolen. Unauthorized removal of confidential information from Company premises is prohibited.

Confidentiality/Non-Disclosure Agreement - As a condition of employment, an employee may be required to sign a confidentiality/non-disclosure agreement at the time of hire or at the time of promotion or transfer to a sensitive position.

Confidentiality Breach - Employees are responsible for immediately reporting any breach of confidential Company or employee information to a member of management.

402 *Personnel Records*

Policy Statement - Star maintains records and/or confidential personnel files on employees, former employees, and applicants in accordance with government recordkeeping and reporting requirements. Each employee is responsible for completing any employment-related forms that are required by government regulation or that are necessary for efficient Company operations.

Control and Review of Personnel Files - Employee personnel records are confidential and are maintained and controlled by Human Resources. Access to personnel files is limited. A supervisor may only review an employee's personnel file if there is a business reason to review the record. A current employee must submit a written request to review his or her own personnel file to the Director of Human Resources. Based on the reason for the request, the employee may be allowed to review the contents of his or her personnel file in the presence of an authorized member of management. An employee may not copy, remove, or place any material in the employee's personnel file without the approval of the Director of Human Resources. Former employees will not be permitted to inspect or copy their personnel file.

Control of Medical Records - A separate confidential medical file is maintained on all employees by Human Resources. Any protected health information (PHI) that is maintained by the Company is confidential, and only Company officials who have a business need to know have access to these medical records. Information can only be released to others with the expressed, written authorization of the employee or if the Company receives a court order to do so.

Employment Eligibility Verification - **Star** does not knowingly hire or continue to employ undocumented persons who are not authorized to work in the United States. All employees must complete and sign Section 1 of Form I-9 and provide documents to prove the employee's identity and eligibility to work in the United States on the first day of work. Documentation is subject to verification. I-9 Forms are confidential and are maintained separately from employee personnel files in a secure location.

Changes in Status - An employee is responsible for ensuring that **Star** receives all information needed to maintain up-to-date personnel records. An employee must provide written notification to Human Resources of any of the following changes:

- Name, address, telephone number;
- Marital status or dependents;
- Person(s) to notify in case of emergency;
- Physical or other limitations;
- Military Status Change
- Retirement plan or life insurance beneficiary; and
- Insurance coverage (including adding or removing spouse [legally married] and children).

This list is not all-inclusive. The Company is not responsible for any errors that result from an employee's failure to inform the Company of changes in this information in a timely manner.

403 **Electronic Documents Retention**

Policy Statement - It is Company policy that employees properly retain electronic documents that are needed for business purposes and/or to comply with government regulations.

Potential Litigation - An employee is responsible for saving any electronic documents that may be needed for legal and/or business reasons. If an employee believes that documents may be relevant to potential litigation or the employee has been notified of pending litigation, all applicable electronic documents must be saved and preserved in their natural form until informed by management that they are no longer needed.

Retention Period - The retention period for electronic documents depends on the subject matter and must be looked at on a case-by-case basis.

Method of Retention - E-mails that are to be retained should be printed and saved in the appropriate file or copied into a Word document. Instant messages should be saved using the logging function on Instant Messenger or by copying the message into a Word document. If any electronic documents that are stored on laptops, wireless devices, and/or home computers are to be retained, they should be forwarded to an employee's business e-mail so that they can be saved on the Company's network server.

404 **Records Disposal**

Policy Statement - The security of all confidential Company, employee, and customer information is a top priority of **Star**. Documents that no longer need to be retained for business or legal purposes are to be disposed of in accordance with government regulations and Company policy.

Disposal of Paper Documents - Any paper document containing confidential information or personally identifiable information regarding an employee or customer must be shredded, destroyed, and/or modified to make it unreadable prior to its disposal.

Disposal of Electronic Documents - An employee should destroy or erase electronic files or media containing employee information and routinely delete outdated or otherwise unnecessary e-mails and computer files that no longer need to be retained.

Definition of Personally Identifiable Information - Personally identifiable information includes any information regarding an individual which, because of name, number, personal mark, or other identifier, can be used to identify said person in combination with any one or more of the following: social security number, driver's license number, non-driver identification card number, mother's maiden name, home address or telephone number, personal e-mail address, financial services or banking account number or code, electronic serial number, or personal identification number.

405 **Outside Requests for Information**

Reference Requests - All requests for information regarding current and former employees that are received from individuals outside the Company must be referred to Human Resources. No other supervisor or employee is authorized to provide information to any outside source or to "recommend" or comment on the job performance of a former employee via LinkedIn or other social media. **Star** is not responsible for information provided by an unauthorized employee.

The Director of Human Resources or his/her designee will verify dates of employment and position(s) held without the signed consent of the individual. A signed consent from the current/former employee and a signed release or *Hold Harmless Agreement* must be provided before Human Resources will provide any additional reference information.

Star does not guarantee that it will release employment-related information to an outside source even with written consent. The Company will provide information that is legally required by court order or subpoena.

501 *Equal Employment Opportunity*

Policy Statement - Star is an Equal Opportunity Employer. The Company does not unlawfully discriminate on the basis of a person's race, religion, age, national origin, color, height, weight, marital status, genetic information, sex, sexual orientation, gender identity or expression, AIDS/HIV, misdemeanor arrest records political beliefs or disability.

Star will not discharge or discriminate against employees or applicants who inquire about, discuss, or disclose their own compensation or the compensation of other employees or applicants. An exception exists where the employee or applicant makes the disclosure based on information obtained in the course of performing his or her essential job functions.

This policy applies to all aspects of the employment relationship, including, but not limited to, recruiting, hiring, placement, promotion, disciplinary action, termination, layoff, transfer, leave of absence, compensation, benefits, training, working conditions, and social and recreational programs.

Diversity and Fair Treatment - Star recognizes the rich diversity of its employees and the varying cultures, backgrounds, and experiences they each bring to the workplace. The Company is committed to maintaining and promoting a work environment where employees' and customers' similarities and differences are respected and valued. An employee is expected to treat coworkers, customers, vendors, suppliers, and other non-employees that the employee comes in contact with on the job with fairness, dignity, and respect. The Company prohibits an employee from engaging in any form of discrimination, harassment, bullying, or other offensive behavior targeted towards another individual based on any of the protected classes or groups listed above.

Discrimination by Others - The Company prohibits employees, vendors, suppliers, visitors, customers, and any other individual that an employee comes in contact with during the course of employment from harassing or discriminating against Star employees based on any protected class or status.

Americans with Disabilities Act - Star complies with the Americans with Disabilities Act, as amended (ADA) and related regulations by providing an equal employment opportunity to qualified applicants and employees with disabilities in regards to all terms and conditions of employment. The Company does not discriminate against qualified applicants and employees who have a physical or mental impairment or a record of such impairment. In addition, the Company does not discriminate based on a person's relationship or association with an individual with a disability.

Reasonable Accommodation - Star does not discriminate against qualified individuals with disabilities who, with or without reasonable accommodation, can perform the essential functions of the employment position held or desired. Star will provide a reasonable accommodation to an employee or applicant with a disability, unless it imposes an undue hardship on the Company. Any employee with a disability and any pregnant employee who believes an accommodation is needed to perform the essential functions of the employee's job should contact Human Resources. If the need for accommodation is not obvious, the Company may require medical documentation verifying the existence of a disability and the reason(s) why the requested reasonable accommodation is needed. When more than one reasonable accommodation would benefit an employee, the Company reserves the right to choose the accommodation.

Complaint Procedure - An employee who believes that the actions or words of an employee or non-employee have violated this Equal Employment Opportunity policy is required to report the behavior to the Company immediately. Refer to the *Complaint Procedure and Investigations* policy for information on filing a complaint and the Company's investigation procedures.

Policy Violations - Any employee who violates this policy will be subject to disciplinary action, up to and including termination. Any vendor, supplier, visitor, customer, or other non-employee who violates this policy will be subject to remedial action, as determined by management.

502 **Anti-Harassment and Sexual Harassment**

Policy Statement - Star is committed to providing a work environment where employees and non-employees are free of inappropriate and disrespectful behavior and harassment, including sexual harassment and harassment based on any of the protected classes or groups listed in the Equal Employment Opportunity policy. The Company takes all necessary measures to prevent harassment in the workplace or, in the event it occurs, to stop the conduct immediately.

Definition of Workplace - For the purpose of this policy, the workplace includes the offices, breakrooms, locker rooms, maintenance areas, parking areas, customer locations, social functions sponsored by **Star** both on and off Company premises, business meetings, business-related travel, and/or any location while representing the Company.

Sexual Harassment Definition - The Equal Employment Opportunity Commission (EEOC) defines sexual harassment as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature to an individual of the same or opposite gender when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;
- Submission to, or rejection of, such conduct by an individual is used as the basis for employment decisions (e.g., promotion, termination, pay increase) affecting that individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's ability to work or creating an intimidating, hostile, or offensive working environment.

Prohibited Behavior - Unprofessional, inappropriate, or offensive conduct committed by a supervisor, coworker, vendor, supplier, visitor, customer, or any other non-employee is prohibited, even if the conduct is welcome by the recipient(s). Prohibited conduct includes, but is not limited to:

- Insulting, lewd, or sexually oriented comments, jokes, slurs, innuendoes, or stories. This includes verbal harassment as well as written, recorded, and electronically transmitted material;
- Demeaning, insulting, or sexually suggestive comments used to describe an individual or the individual's appearance or body;
- Leering, ogling, obscene gestures or sounds, or whistling;
- Unwelcome sexual flirtations, advances, propositions, or demands for sexual favors;
- Unwelcome physical contact, including touching, groping, grabbing, hugging, massaging, fondling, petting, pinching, hitting, pushing, or intentionally rubbing up against a person's body or impeding and/or blocking movements;
- Viewing, displaying, storing, or transmitting sexually oriented or pornographic pictures, posters, cartoons, or other materials;
- Sending sexually suggestive or obscene letters, gifts, or invitations; and
- A supervisor threatening or implying that a subordinate's acceptance or refusal of the supervisor's sexual advances will affect the subordinate's terms or conditions of employment (e.g., promotion, demotion, pay increase, termination).

Other Types of Harassment - As noted above, in addition to sexual harassment, harassment based on any protected characteristic is prohibited. While it is not possible to list all conceivable behaviors which might be considered harassing, the following are examples of behavior which must be avoided:

- Ethnic, racial, religious or other teasing or slurs, or jokes or comments that demean a person on the basis of race, color, religion, national origin, sexual orientation, age or disability;
- Mimicking or mocking another's race, color, religion, ethnicity, national origin, sexual orientation, age or disability; and
- Racially or religiously offensive pictures, symbols, cartoons, or graffiti.

503 **Complaint Procedure and Investigations**

Policy Statement - *Star* takes all complaints of discrimination, harassment, sexual harassment, unfair treatment, and retaliation seriously. A comprehensive complaint procedure has been developed to address any concerns or complaints received from employees and non-employees.

Reporting Policy Violations - An employee or intern who believes that the actions or words of a supervisor, coworker, vendor, supplier, visitor, customer, or any other non-employee has violated the Company's Equal Employment Opportunity and/or Anti-Harassment Policies is required to report the behavior to the Human Resources or the employee's supervisor immediately. Any supervisor, manager, or Company officer who receives a complaint about, hears of, or witnesses any inappropriate conduct is required to immediately notify Human Resources.

An employee who is assigned to work before or after normal business hours can file a complaint by notifying the employee's supervisor or calling and leaving a message with Human Resources if they are not available during working hours.

Investigation of Complaint - All complaints received are investigated promptly, thoroughly, and in as impartial a manner as possible. An investigation generally involves talking with the parties involved as well as any witnesses. All employees are required to cooperate in an investigation.

Confidentiality - An employee's confidentiality will be protected to the greatest extent possible, consistent with conducting a full investigation. However, the Company cannot guarantee complete confidentiality.

Non-Retaliation by the Company - *Star* will not retaliate, intimidate, threaten, discriminate, or otherwise take any adverse employment action against an employee or intern who files a complaint, testifies, or assists in any complaint made under this policy or with a court or government agency. In addition, the Company will not retaliate against an employee or intern for opposing any practices that are prohibited under any federal or state employment regulation.

Non-Retaliation by Employees - The Company prohibits an employee from intimidating, threatening, or retaliating against a coworker or non-employee for filing a complaint and/or participating in an investigation.

Policy Violations - Any employee who violates the Company's Equal Employment Opportunity or Anti-Harassment and Sexual Harassment policy or who retaliates against a coworker, supervisor, or non-employee, or makes a complaint that is demonstrated to be intentionally false, will be subject to disciplinary action, up to and including termination.

Remedial Action - Any vendor, supplier, visitor, customer, or other non-employee who violates this policy will be subject to remedial action, as determined by management.

Please note that this policy is not designed or intended to limit the Company's authority to discipline or take remedial action for workplace conduct which it deems unprofessional, inconsistent with Company standards, or otherwise inadvisable behavior, regardless of whether that conduct satisfies the legal definition of unlawful discrimination or harassment.

504 Health Insurance Portability and Accountability Act (HIPAA)

Policy Statement - Star complies with the provisions of the Health Insurance Portability and Accountability Act (HIPAA), both in its role as an employer and as a plan sponsor. It is the policy of Star to ensure, to the extent possible, that PHI is not intentionally or unintentionally used or disclosed in a manner that would violate the HIPAA Privacy Rule or any other federal or state regulation governing confidentiality and privacy of health information. All documents containing PHI will be stored appropriately to reduce the potential for incidental use or disclosure. Documents will not be accessible to any unauthorized staff.

Protected Health Information - PHI information includes medical conditions, health status, medical histories, physical examinations, genetic information, medical certification and evidence of disability. You are not to discuss any type of PHI with another employee who does not have a legitimate, work-related need to know such information. In addition, under no circumstances are you permitted to discuss or otherwise disclose PHI with anyone else, including other patients, the patient's family or friends, your family or friends, etc., as doing so violates the federal HIPAA law.

Retaliation - The Company will not retaliate against any employee for exercising his or her rights under the HIPAA regulations.

Privacy Officer - The Human Resource Director has been designated as the Company's Privacy Officer. The Privacy Officer is responsible for developing and implementing the Company's HIPAA-related policies and procedures.

HIPAA Program - The Company has developed written HIPAA policies and procedures that address employee compliance, use and disclosure of PHI, safeguards to ensure the privacy and security of PHI, and the handling of customer complaints. All employees who have access to PHI receive a separate copy of these policies and procedures and are required to participate in privacy awareness training conducted by the Company.

Policy Violations - Unauthorized disclosures of PHI or other Privacy or HIPAA violations will result in disciplinary action up to and including termination of employment.

600 OPERATIONAL POLICIES

601 *Hours of Operation*

Business Hours - The Corporate Office is open for business Monday through Friday from 8:00am to 5:00pm.

The hours of operation vary between branches and shifts. You are expected to work the hours and days assigned by your supervisor for the branch that you are assigned to.

Department Hours - The regular workdays, hours and shifts of each department may vary from the Company's normal business hours, depending upon the particular needs and requirements of the department.

602 *Work Schedules*

Normal Work Schedules - A full-time employee is normally scheduled to work eight (8) hours per day five (5) days per week, not including an unpaid meal period. Some employees, depending on job or shift, may work ten (10) hours per day, four (4) days per week, not including an unpaid meal period. Your supervisor will review your shift with you, depending on your role. Part-time and temporary employees' workdays and hours vary, depending on the position.

Changes in Work Schedules - Star reserves the right to revise an employee's normal work schedule at any time (and for Union employees, within the guidelines of the CBA). This includes the employee's starting and ending times, the total number of hours worked per day and/or per week, and the days worked. Employees are notified of any changes in work schedules.

603 *Meal Periods*

Meal Periods - Full-time and part-time employees receive a thirty (30) minute unpaid meal period near the middle portion of their shift, provided they are scheduled to work six (6) or more hours a day.

Scheduling of Meal Periods - Meal periods may be staggered and are scheduled by the employee's supervisor in accordance with the needs and requirements of the department. Meal periods are generally taken at the same time each workday.

Observance of Meal Periods - An employee is required to take the scheduled meal period. An employee is not allowed to work through the meal period to make up lost work time or to leave work early, unless provided prior authorization from the supervisor. In addition, the meal period may not be taken at the end of an employee's workday or shift in order to leave work before the normal quitting time.

Location of Meal Periods - A break room is available for employees to use during their meal periods. Unless otherwise specified by departmental rules, an employee may leave the branch/worksites for meal periods.

604 **Break Periods**

Breaks - Under certain circumstances, short, paid breaks may be taken during the workday to accommodate an employee's need for periods of rest, to obtain beverages or snacks, to make personal phone calls, or for other personal reasons. An excessive number of breaks or breaks of extended length are not allowed.

Break Periods - Employees who work 4 hours in a given day are allowed one paid break of up to fifteen (15) minutes (an eight (8) hour shift allows for two paid breaks). Certain employees are also eligible for lactation breaks (See the *Lactation Breaks* policy). Union employees are expected to consult the Union Contract for specific language related to the taking of breaks.

Scheduling of Break Periods - The first break is normally scheduled for the middle of the first half of the employee's workday and the second break is normally scheduled during the middle of the second half of the workday.

Extension of Break Periods - Employees should be punctual in starting and ending all break periods. An employee may not extend a break period beyond the time allowed unless prior approval is obtained from the employee's supervisor.

Failure to Take Break Periods - An employee who chooses not to take an allowed break period may not take an extended meal period, arrive at work later than the normal starting time, leave work before the normal quitting time, or receive extra compensation. Unused break periods cannot be accumulated for use at a later date.

Location of Break Periods - A break room is available for employees to use during their break periods. Unless otherwise specified by departmental rules, an employee may not leave the property for break periods.

605 **Breaks for Breastfeeding & Expressing Breastmilk**

Policy Statement - The Company provides a supportive environment to enable breastfeeding employees to express breast milk during work time for up to one year following the birth of a child. Discrimination and harassment of breastfeeding mothers in any form is unacceptable and will not be tolerated.

Notification Requirements - Whenever possible, an employee should give advance notice of her intent to take lactation breaks upon her return to work.

Lactation Room - The Company will make a reasonable effort to provide an employee with a private room or other location in close proximity to the employee's work area free from intrusion from co-workers and the public.

Length of Lactation Breaks - The Company will grant an employee reasonable break time of not less than 20 minutes unless the employee chooses to take a shorter break as needed throughout the workday to express breast milk. If the room is not in close proximity to the workplace, the break should be at least 30 minutes. At the employee's option, her lactation break may run concurrently with her regularly scheduled paid break or meal period.

Payment for Lactation Breaks - Lactation breaks are without pay. Upon election of a non-exempt employee, the employee will be allowed to make up any work time lost while on unpaid lactation breaks either before or after the employee's regular workday or shift. The make-up time must fall within the Company's normal business hours. Deductions will not be taken from an exempt employee's pay for lactation breaks of any length.

Storing Expressed Milk - A refrigerator is available to store expressed breast milk. All expressed milk must be stored in a closed container and must be taken home at the end of each workday. Star is not responsible for the safekeeping of an employee's milk stored in a refrigerator on its premises.

606 *Emergency Closings*

Policy Statement – *Star's* goal is to maintain normal operations during scheduled work hours. However, there may be times when inclement weather, power failure, or other similar emergency requires the Company to close.

Notification - In the event our normal hours of operation are modified or the Company remains closed for the day, an attempt will be made to notify employees via telephone, and television.

Inclement Weather - Employees are expected to report to work and remain at work during inclement weather conditions unless otherwise notified by the Company. When *Star* has not officially closed, an employee who does not report to work or requests to arrive at work late or leave work early must obtain prior authorization from the employee's supervisor in accordance with the Company's notification policy (See the *Attendance* policy for additional information). Credited, unused vacation leave must be taken, if available. Otherwise, the time off is without pay for non-exempt employees. If an exempt employee has no paid leave benefits available, the employee will only be docked if a full workday is taken.

Compensation for Exempt Employees - Exempt employees receive their regular salaries when the Company officially opens late, shuts down early, or closes for any partial workweeks due to emergency operating conditions. Exempt employees are not paid if the Company is closed for an entire workweek or longer.

Compensation for Non-Exempt Employees - When the Company officially opens late, closes early, or remains closed for an entire workday due to an emergency closing, non-exempt employees are paid only for the number of hours actually worked.

A full-time or part-time non-exempt employee may elect to use any credited, unused vacation leave for any scheduled hours not worked and for which the employee is not paid by the Company. An employee may be allowed to make up the lost work time during the current workweek, with prior supervisory approval.

Compensation for Employees on Scheduled Leave - An employee who is out of work on sick or vacation leave during an emergency closing will be charged such leave as scheduled.

607 *Time Records*

Policy Statement - Federal and state employment regulations require *Star* to maintain accurate records of employee work hours. Accurate time records allow the Company to calculate each employee's compensation for time worked and authorized paid leave taken in a given workweek.

Working Time - Generally, time worked is considered all time an employee is on duty performing assigned tasks as well all time an employee is required to be on the Company's premises or at a designated work site.

Procedures for Non-Exempt Employees - A computerized time system is used to track the work hours of non-exempt employees. A non-exempt employee must properly record their time at the beginning and end of each work shift and for all unpaid meal periods. During regular work hours, an employee must use the time system to indicate when leaving Company premises for non-work-related reasons.

Non-exempt employees that are without access to the computerized time system are responsible for recording their work hours on a time sheet. The time sheet must indicate the daily number of hours worked and all paid and unpaid absences. To ensure accuracy, time sheets should be filled out on a daily basis.

Employees should be in their complete uniform (if applicable) and ready to begin work at the time they clock in. Union employees should consult the CBA for start and stop times.

Performing Work Before/After Scheduled Work Hours - A non-exempt employee is not permitted to work overtime or unscheduled time without prior authorization from their supervisor. This includes working before or after the employee's scheduled work shift and working through the scheduled lunch period.

Accordingly, an employee should not clock in more than five minutes prior to the start of the employee's work shift or punch out more than five minutes after the end of the work shift, unless approved by the employee's supervisor.

Procedures for Exempt Employees - Exempt employees are not required to record their time but must account for authorized paid leave taken by completing a *Time Off Request Form*.

Arriving at Work Before or After Scheduled Work Hours - Arriving at work before the scheduled starting time or leaving work after the scheduled ending time for an employee's own convenience when no work is performed for the Company is not to be included in working time.

Correction of Errors - Failure to punch in/out on the time clock should be brought to the attention of the employee's supervisor immediately. The supervisor shall investigate the matter and make and initial the correction once the error is verified.

Submission of Time Sheets - Time sheets should be reviewed by the employee at the completion of the work week for accuracy. Any discrepancy should be brought to the manager or payroll administrators' attention immediately.

Falsification of Time Records - Employees are responsible for ensuring that their actual hours worked and time off are accurately reported. Altering, falsifying, or tampering with an employee's own time record or a coworker's time record and/or recording time on another employee's time record is prohibited and may result in disciplinary action, up to and including termination of employment for both employees.

608 Business Expenses

Policy Statement - **Star** reimburses employees for pre-authorized business expenses. These expenses include, but are not limited to, mileage, tolls, parking fees, air fare, meals, lodging, and training and membership fees. All business expenses should be limited to reasonable amounts. Meals are subject to a \$30.00 per day total. Any money spent over \$30.00 will be the responsibility of the employee. A copy of the Company's business expense policy and procedures is distributed to applicable employees. Sales and management staff who travel on a regular basis may be subject to different per diem amounts.

Authorization - All business expense requests are to be submitted in writing to the employee's supervisor at least seven (7) workdays in advance.

The Company reserves the right to deny reimbursement for any business-related expense that was not pre-authorized or that is considered unreasonable under the circumstances.

700 ABSENCE FROM WORK POLICIES

701 Attendance

Policy Statement - In order to maintain a productive work environment, employees are expected to work all scheduled work hours and to keep unscheduled absences and tardiness to a minimum. Poor attendance, tardiness, and early departures place a burden on the Company, other employees, and customers.

Tardiness and Unscheduled Absences - An employee is expected to be on time and ready to begin work at the start of the employee's scheduled work shift. An employee who is going to be tardy or who is unable to report to work must personally notify the employee's supervisor by phone at least ninety (90) minutes before the employee's scheduled starting time. If the Supervisor cannot be reached, you are to call a member of management or leadership, generally the shop supervisor or leadman on duty. If neither the Supervisor or Leadman are available by phone, then you may leave word of your expectation to be late or absent by text, by email or by voicemail. The reason for the tardiness or absence and when the employee expects to report to work must be indicated. Likewise, an employee who needs to leave work early for any reason must notify their supervisor as soon as possible.

Asking a relative, friend, or another person to call in on the employee's behalf is not permitted nor is leaving a message with a coworker. Notification requirements may be waived in cases of emergency or where extenuating circumstances are present. Union employees should consult the CBA for tardiness and absenteeism policies and requirements.

Scheduled Absences - Requests for scheduled time off must be submitted in writing to the employee's supervisor as far in advance as possible, but no less than seven (7) workdays in advance. The Company reserves the right to request the reason for the absence. Vacation requests must be submitted in accordance with the vacation leave policy (See the *Vacation Leave policy* for additional information). All time off requests are subject to supervisory approval on a case-by-case basis.

Unexcused Absences - Notification of an absence to an employee's supervisor does not automatically mean the absence is authorized. Any time off from work that is without supervisory approval is considered an unexcused absence. An unexcused absence is without pay for non-exempt employees and is subject to disciplinary action up to and including termination.

Excessive Absenteeism - Excessive absenteeism is considered anything greater than three absences in any 30-day period, more than four times in any 90-day period and more than eight occurrences in any twelve-month period that are not excused. Excessive absenteeism will be handled as follows. The first verbal warning, delivered by the employee's direct supervisor, will serve to notify the employee that he or she is in violation of this company policy and that additional occurrences will or may result in further disciplinary action as outlined below.

- First Violation-Verbal Warning
- Second Violation-Written Warning
- Third Violation- Suspension Without Pay
- Fourth Violation-Discharge

An absence is generally defined as time missed from work in excess of four hours or half of the employees scheduled workday. Call in procedures must be followed each day an employee will be absent from work. Absences are counted in a rolling Twelve-month period. Occurrences expire 12 months from the date of the incident.

Although occurrences will roll off an employee's record after twelve months, habitual offenders (those who have established a pattern of absences, such as consistently having eight or more occurrences in any given twelve-month period or routinely calling in and not reporting to work) may trigger step discipline even though twelve-month old infractions have fallen off, if he or she continues to incur occurrences.

Time away from work using accrued vacation, holiday, flex, applicable PTO of any kind, or FMLA (for eligible employees) are not considered occurrences for the purpose of this policy, unless the company required the use of such paid time off as a penalty for unexcused or excessive absences. Occurrences which are excused such as pre-arranged appointments, medical or otherwise, will not be considered under this policy if

the employee gave significant notice to their direct supervisor or branch manager and documentation can be provided to support the absence.

Absences due to illnesses or injuries that qualify under the Family and Medical Leave Act (FMLA), or are protected by the ADA, will not be counted against an employee's attendance record. Medical documentation within the guidelines of the FMLA may be required in these instances.

If the employee has already begun the step discipline process for attendance/punctuality when a no-call/no-show occurs, the disciplinary process may be accelerated to the final step.

Management may consider extenuating circumstances when determining discipline for a no-call/no-show (for instance, if the employee is in a serious accident and is hospitalized) and has the right to exercise discretion in such cases.

Management reserves the right to amend, deviate, or discontinue this policy retroactively at any time without notice.

Daily Notification - If an employee is unable to report to work as scheduled for more than one workday, the employee must personally notify the supervisor each day of the absence, unless the absence was pre-authorized or the employee is on an approved leave of absence (e.g., FMLA, jury duty, military leave).

Failure to Call in or Report to Work - An employee who does not report for work or notify the supervisor of the employee's absence for three (3) consecutive workdays will, absent extenuating circumstances, be considered to have abandoned his/her job and voluntarily resigned his/her position with the Company.

Documentation of Absences - An employee who demonstrates a pattern of frequent absences may be required to provide documentation of the reason for any future absences.

Leaving the Premises - An employee must notify and obtain approval from the employee's supervisor before leaving Company premises during working time for personal reasons. An employee who leaves Company premises during the workday due to business reasons must notify the employee's supervisor in accordance with department policy. Non-exempt employees leaving the premises for personal reasons must record the time away from work, using the time recording method used to track time worked.

Time Off Without Pay - The Company does not normally grant employees time off from work without pay. Supervisors have the discretion of denying requests for unpaid time off. This does not apply to leaves taken under the Family and Medical Leave Act. An employee must use all credited, unused leave before requesting time off without pay. Sick leave must also be used for any time off due to illness of the employee or a member of the employee's immediate family. Supervisors, at their discretion, may deny requests for unpaid time off except for time off taken under the Family and Medical Leave Act. Union employees are subject to contract language related to time off without pay.

A non-exempt employee may be allowed to make up lost work time during the current workweek with prior supervisory approval. Authorization is granted only if work is available and only at a time that is mutually convenient for the employee and the employee's supervisor. A non-exempt employee is generally not allowed to make up lost work time due to tardiness, unauthorized absence, or early departure without prior authorization from their supervisor.

In accordance with state and federal wage and hour regulations, if an exempt employee has no paid leave benefits available, the employee's pay will be docked only if a full workday off is taken due to sickness or personal reasons or if the employee takes unpaid leave under the Family and Medical Leave Act.

Policy Violations - Violations of this policy may result in disciplinary action, up to and including termination. This includes falsification of the reason for absence, unexcused absence(s), a record of excessive absences or early departures, or a pattern of absenteeism, even if excused.

702 *Jury and Witness Duty Leave*

Policy Statement - Employees are encouraged to fulfill their civic responsibilities and will be granted time off to serve on jury duty or to appear as a witness in a criminal proceeding. In accordance with State regulation, an employee who is a victim of a crime will be granted time off to appear in court as a witness, to consult with a district attorney, or to obtain an order of protection. An employee will not be subject to any adverse action as a result of taking time off to serve as a juror or witness.

Notification Requirements - When an employee receives notice to report for jury duty or a subpoena to testify as a witness, a copy of the notice/subpoena should be submitted to Human Resources and to Payroll.

Compensation for Exempt Employees - An exempt employee is paid the employee's regular salary for the first three (3) days of jury or witness duty, provided the days are normally scheduled work days. Thereafter, in accordance with federal regulations, an exempt employee is paid his or her regular salary for working any partial workweeks but is not paid for any workweeks in which no work is performed for the Company. An employee is required to return any stipend paid by the court, to the Company.

Compensation for Non-Exempt Employees -A non-exempt employee who is required to report for jury duty on a regularly scheduled workday will receive full straight-time pay for that period of absence, for up to three (3) days, for any time spent in jury duty. Fees received for jury duty, less expenses, must be remitted to the company upon receipt. If Jury duty does not exceed ½ day each day, employees are expected to return to work. Time off for witness duty is without pay.

Verification of Service - An employee must provide written verification from the court noting the date(s) and time(s) served as a juror or witness in order to receive compensation from the Company.

Return to Work - An employee who is excused from court for the entire day should report to work if it is a normally scheduled workday. If an employee is released early from jury or witness duty on a given day, he or she should contact the employee's supervisor to discuss reporting requirements if there are two or more hours left in the employee's scheduled work shift. An employee will not be required to work on any days when he or she is not normally scheduled to work in order to make up for any time lost due to jury duty service.

Accrual of Benefits - Star will continue to provide insurance benefits for an eligible employee during the time spent as a juror or witness. All employee contributions, if any, must be paid on a timely basis in order to maintain the continuous coverage of benefits. Vacation, sick, and holiday benefits also continue to accrue.

Rescheduling of Jury Duty - Star may request that an employee seek to have the jury duty rescheduled.

703 *Military and Reserve Leaves*

Policy Statement - Star recognizes the importance of military service and complies with all federal and state regulations relating to military leaves of absence, encampment, and temporary military duty. The Company shall grant an employee time off to serve in the U.S. Armed Forces, including the military reserves, Army National Guard, and Air National Guard.

Notification - An employee is required to give advance notice to the employee's supervisor of the dates of military service unless unable to do so because of military necessity or if it is otherwise impossible or unreasonable to do so. An employee is asked to give as much notice as possible and to bring his or her military service orders to the supervisor or to the Director of Human Resources for review prior to commencement of the leave.

Benefits during Leave - An employee retains and accrues any Company-sponsored benefits that are tied to seniority during a military leave. The employee is also allowed to participate in the medical insurance plan and other Company-sponsored benefits that are not determined by seniority to the same extent as an employee who is granted a FMLA leave or leave of absence for other reasons, so long as the employee meets the eligibility requirements of each benefit plan. During a military leave of 30 days or less, the

Company will make its normal contribution towards an employee's insurance benefits. If the employee's leave lasts longer than 30 days, the employee will have to pay the entire premium to continue your benefits.

Return from Leave - An employee retains certain rights relating to reinstatement, seniority, status, length of service promotions, and compensation upon return from military duty, as long as the employee is not separated with a dishonorable or bad conduct discharge and the employee's cumulative military leave with the Company does not exceed five years. Certain types of uniformed service do not count against an employee's five-year maximum, including service during war or call-ups during national emergencies, reserve drills, and annually scheduled active duty for training.

If an employee terminated coverage in Star medical insurance plan or elected COBRA continuation coverage while on a military leave of absence, the employee will be reinstated in the group medical plan upon return to work without a waiting period or any pre-existing exclusions.

Temporary Military Duty - The Company will attempt to rearrange an employee's work schedule, if possible, when the employee needs to attend a weekend drill or encampment.

Compensation for Exempt Employees - In accordance with federal regulations, an exempt employee who is on military or reserve leave for any partial workweeks is paid the employee's regular salary for those workweeks. Any military pay received is deducted from the employee's salary. An exempt employee is not paid for any workweeks in which no work is performed for the Company. An employee may request to use credited, unused vacation or sick leave during any portions of the leave that are unpaid.

Compensation for Non-Exempt Employees - Military and reserve leave is without pay for a non-exempt employee. A non-exempt employee may request to use credited, unused vacation or sick leave during the leave.

Family and Medical Leave - An employee may be eligible for time off in accordance with the Family and Medical Leave Act (FMLA) due to a covered family member's active or impending military duty or if a covered family member suffers a serious injury or illness while on active duty (See the *applicable* policy for additional information).

704 Bereavement Leave

Eligibility - Star grants full-time employees paid bereavement leave in the event of the death of an immediate family member as provided below. Full-time employees become eligible for paid bereavement leave upon completion of ninety (90) days of service. Part-time and temporary employees are not eligible for paid bereavement leave but may request time off without pay.

Allowance - Full-time employees are eligible for up to three (3) workdays off with pay from the employee's regularly scheduled work hours due to bereavement leave.

Verification of Need for Leave - The Company reserves the right to request verification of the need for bereavement leave.

Immediate Family Member - For the purpose of this policy, an immediate family member is defined as an employee's spouse (includes same or opposite sex spouse), child, stepchild, parent, stepparent, grandparent, grandchild, sibling, step sibling, mother-in-law, father-in-law, sister-in-law, brother-in-law, daughter-in-law, and son-in-law.

Extension of Bereavement Leave - An employee may request to use credited, unused vacation or sick leave to extend bereavement leave. If an employee has no paid leave available, unpaid leave may be granted with prior supervisory approval.

705 **Family and Medical Leave Act (FMLA)**

The following Company facilities are covered by the FMLA: Grand Rapids, Kentwood, Comstock Park, Muskegon, Kalamazoo, Battle Creek, Lansing, Jackson, Flint, Plymouth and Holland.

Policy Statement - In compliance with the federal Family and Medical Leave Act (FMLA), Star will grant an eligible employee unpaid, job-protected leave for specified family, medical, and military reasons as described in this policy.

Eligibility - To be eligible for leave under the FMLA, an employee must meet the following requirements:

- Completion of at least 12 months of service with Star before the leave begins (the 12 months need not be consecutive);
- Worked at least 1,250 hours during the previous 12 months prior to the date the leave begins; and
- Work at, or report to, a work site where at least 50 employees are employed within 75 miles.

Basic FMLA Entitlements - An eligible employee shall be granted up to 12 weeks of unpaid, job-protected leave during any 12-month period under any of the following circumstances:

- Incapacity due to pregnancy, prenatal medical care, or child birth (includes fathers who take leave for their spouses' prenatal care and appointments);
- To provide care for the employee's child during the first 12 months following birth;
- Placement of a child with the employee for adoption or foster care and/or to care for the child during the first 12 months following placement;
- To provide care for the employee's spouse (includes same-sex spouse), child (includes son or daughter of the same-sex spouse), or parent who has a serious health condition; or
- A serious health condition that makes the employee unable to perform the essential functions of his or her job.

Serious Health Condition - The FMLA defines a serious health condition as an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities.

Continuing treatment by a health care provider includes:

- A period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider; or
- One visit to a health care provider and a regimen of continuing treatment; or
- Incapacity due to pregnancy; or
- Incapacity due to a chronic health condition.

Other conditions may also meet the definition of continuing treatment.

Ordinarily, unless complications arise, the common cold, flu, ear aches, upset stomach, ulcers, headaches other than migraines, routine dental problems, etc. do not qualify as serious health conditions. In addition, routine medical examinations are not considered serious health conditions, and neither are voluntary cosmetic treatments, unless inpatient care is required or complications develop. This list is not all inclusive.

Twelve-Month Period - The 12-month period used to determine eligibility for Basic FMLA leave is a rolling period measured backward from the date an employee uses any FMLA leave. Each time FMLA leave is taken, the Company will compute the amount of FMLA leave that has been used in the last 12 months and subtract it from the 12 weeks of available leave. The balance remaining is the maximum amount of FMLA leave still available.

Military Family Leave

Qualifying Exigency Leave - Eligible employees whose spouse (includes same-sex spouse), son, daughter or parent is on covered active duty or call to covered active duty status may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies are non-medical, non-routine activities. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings. Star and the employee can agree to consider any other event that may arise out of active duty or a call to active duty status as a qualified exigency.

Military Caregiver Leave - FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 workweeks of FMLA leave in a single 12-month period to care for a “covered service member” with a “serious injury or illness” if the employee is the covered service member’s spouse (includes same-sex spouse), parent, son, daughter, or next of kin.

A covered service member is:

- (1) a current member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness*; or
- (2) a veteran who was discharged or released under conditions other than dishonorable at any time during the five-year period prior to the first date the eligible employee takes FMLA leave to care for the covered veteran, and is undergoing medical treatment, recuperation, or therapy for a serious injury or illness. *

* **Serious Injury or Illness for a Current Service Member** - FMLA defines a serious injury or illness for a current service member as:

- (i) an injury or illness incurred by a covered service member in the line of duty on active duty in the Armed Forces that may render the service member medically unfit to perform the duties of his or her office, grade, rank, or rating; or
- (ii) An injury or illness that existed before the beginning of the service member’s active duty and was aggravated by service in the line of duty on active duty in the Armed Forces.

Serious Injury or Illness for a Covered Veteran - A serious injury or illness for a covered veteran means an injury or illness incurred that was incurred or aggravated by the covered veteran in the line of duty on active duty in the Armed Forces and manifested itself before or after the service member became a veteran, and is:

- (i) a continuation of a serious injury or illness that was incurred or aggravated when the covered veteran was a member of the Armed Forces and rendered the service member unable to perform the duties of the service member’s office, grade, rank, or rating; or
- (ii) a physical or mental condition for which the veteran has received a U.S. Department of Veterans Affairs Service-Related Disability Rating (VASRD) of 50 percent or greater, and the need for military caregiver leave is related to that condition; or
- (iii) a physical or mental condition that substantially impairs the veteran’s ability to work because of a disability or disabilities related to military service, or would do so absent treatment; or
- (iv) an injury, including a psychological injury that is the basis for the veteran’s enrollment in the Department of Veterans Affairs Program of Comprehensive Assistance for Family Caregivers.

Notification Requirements - When the need for FMLA leave is foreseeable, an employee must submit a completed *FMLA Request Form* to Human Resources at least 30-calendar days prior to the requested start date of the leave. Failure to give the required notice with no reasonable excuse may result in the FMLA leave being delayed until 30 days from the date of notice. If unable to provide 30 days advance notice, an employee must request leave as soon as he or she becomes aware of the need for leave. Such notice must normally comply with the Company’s call-in procedures (See the *Attendance* policy for additional information).

The employee must provide sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that

the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. In addition, the employee must also inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. An employee also may be required to provide a certification and periodic recertification supporting the need for leave.

Star will determine if the employee is eligible for FMLA leave and will notify the employee within five business days of receiving the employee's *FMLA Request Form* or verbal leave request. If approved, the employee will be notified if the leave will be designated as FMLA-protected, any additional information required by the Company, the employee's rights and responsibilities, and the amount of leave that will be counted against the employee's FMLA leave entitlement. If ineligible for FMLA leave, the reason for the denial will be provided.

Certification - Proper documentation may be required to support an employee's leave request. Medical certification from a health care provider is required for leave requests due to an employee's or family member's serious health condition or the birth of a child. Documentation from the appropriate agency is required to support a leave request due to the adoption or foster placement of a child.

Use of Leave - An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. An employee is responsible for making reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt business operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.

Status Reports - If the medical certification indicates a minimum duration for the period of incapacity, the Company will generally not request recertification until such period has expired. If the medical certification indicates the condition is expected to last for an extended period, medical recertification must be provided every six months. The Company reserves the right to request medical recertification more frequently if an employee requests a leave extension, circumstances have changed significantly, or the Company receives information that casts doubt on the reason for the absence.

Workers' Compensation and Disability - Leaves taken under workers' compensation or disability may run concurrently with FMLA if an employee meets the FMLA eligibility criteria outlined above and the Company designates the leave as FMLA.

Benefits During Leave - For the purpose of this policy, the following applies to employee benefits during a FMLA leave:

- **Use of Paid Leave** - An employee's available paid time off benefits (e.g., vacation and/or sick leave) must be used at the beginning of the leave, so long as the terms and conditions set forth in the applicable time off policy are met. Once all of an employee's paid time off benefits have been exhausted, the remainder of the leave will be unpaid.

When FMLA leave is running concurrently with workers' compensation or disability, an employee's available paid time off benefits must be used at the beginning of the FMLA leave to cover any statutory waiting period that may be applicable. For the remainder of the leave, the employee may supplement his or her workers' compensation or disability benefits with any available paid time off benefits if mutually agreed to by the Company and the employee and as allowed by state regulation. The combination of all benefits paid to the employee may not exceed the employee's regular weekly earnings.

In either case, the use of paid time off benefits does not extend the 12 or 26-week leave period.

- **Accrual of Paid Leave Benefits** - An employee will not lose any employment benefit that he or she accrued prior to the start of the FMLA leave. An employee continues to accrue vacation and sick leave and receive holiday pay during any portion of a FMLA leave that is paid. For the purpose of this policy, paid leave is defined as leave during which the employee is using credited, unused vacation and/or sick leave. After all such paid time off benefits are exhausted, the remaining portion of the FMLA leave is unpaid. An employee does not accrue vacation or sick or receive holiday pay during any portion of a FMLA leave that is unpaid.
- **Insurance Benefits** - An employee's group medical and dental insurance will continue at the same level, terms, and conditions as if the employee was working. The employee is responsible for their portion of

the medical insurance premium cost, if any. Failure to pay the employee portion of the health insurance premiums may result in the termination of coverage. The employee will be given the opportunity to choose continuation coverage under the COBRA regulations if he/she has not returned to work at the end of the 12-week period.

Employment Restrictions - While on FMLA leave, an employee may not work for another employer during the same work hours that he or she is normally scheduled to work for Star.

Early Return or Extension of Leave - If an employee intends to return to work earlier than anticipated or extend the leave beyond the time originally requested, the Supervisor and the Director of Human Resources must be notified at least two business days from the date the employee became aware of the need to shorten/extend the leave.

Return-to-Work - At the conclusion of a FMLA leave, the following conditions apply:

- **Return Date** - If the employee's leave request indicated a specific return-to-work date, he or she should contact the Supervisor and the Director of Human Resources at least two weeks prior to this date. If the return-to-work date was not known at the time leave was granted, the Supervisor and the Director of Human Resources must be notified as soon as a return-to-work date has been established. Failure to return to work when scheduled may result in disciplinary action, up to and including termination.
- **Job Restoration** - An employee shall be restored to the position held when the leave began or to an equivalent position with equivalent benefits, pay, and other terms and conditions of employment, provided he or she returns to work within the time period allowed under the FMLA regulations.

Fraud - An employee who fraudulently obtains FMLA leave is subject to disciplinary action, up to and including termination.

706 Medical and Personal Leaves of Absence

Policy Statement - An employee may request a leave of absence due to medical, family, or personal reasons. The granting and duration of each leave of absence is determined by the Company and is not guaranteed.

Eligibility - To be eligible for a leave of absence, an employee must have completed at least one year of continuous service and must be classified as a full-time employee, unless special circumstances warrant an exception.

Workers' Compensation and Disability - An employee who is eligible for - or receiving - workers' compensation or disability benefits will be placed on workers' compensation/disability and a medical leave of absence concurrently. The employee is responsible for complying with both the requirements of workers' compensation/disability and this leave of absence policy.

Notification Requirements - An employee must submit a written leave of absence request to the Director of Human Resources at least 30-calendar days prior to the requested start date of the leave. When the need for leave is unforeseen, notice must be provided as soon as the need for leave is known. Permission or denial of the leave will normally be communicated to the employee in writing within five business days after the Company receives the request.

Medical Certification - The employee's request for medical leave must be accompanied by a written report from the employee's health care provider detailing why such leave is medically necessary. In the event Star has reason to believe an employee who requests a medical leave of absence or who is on an unpaid medical leave is able to work, Star reserves the right to require the employee to submit to further examination by a doctor, selected by Star, at the Company's expense.

Benefits during Leave - For the purpose of this policy, the following applies to employee benefits during the leave:

- **Use of Paid Leave** - An employee's available paid time off benefits (e.g., vacation and/or sick leave) must be used at the beginning of the leave, so long as the terms and conditions set forth in the applicable time off policy are met. Once all of an employee's paid time off benefits have been exhausted, the remainder of the leave will be unpaid.

When leave is running concurrently with workers' compensation or disability, an employee may use any available time off benefits to supplement his or her wages as allowed by state regulation. The combination of all benefits paid to the employee may not exceed the employee's regular weekly earnings.

During any period of the leave when credited, unused vacation and/or sick leave is used to supplement the employee's normal wages, the insurance carrier will normally send the benefit payments directly to the employee. The Company will pay the employee the difference between the employee's normal wages and the workers' compensation/disability benefit, and a pro rata deduction will be taken from the employee's applicable time off account.

- **Accrual of Paid Leave Benefits** - An employee continues to be credited with paid vacation leave and receive holiday pay during any portion of a leave that is paid. For the purpose of this policy, paid leave is defined as leave during which the employee is using credited, unused vacation. After all such paid leave is exhausted, the remaining portion of the leave is unpaid. An employee will not accrue vacation or sick leave or receive holiday pay during any portion of a leave that is unpaid.
- **Insurance Benefits** - The Company will continue its contribution towards an employee's medical insurance premiums for the first six (6) months of a medical leave of absence. Contributions are at the same level as if the employee was working. After six (6) months, the employee is responsible for 102% of the insurance premiums through COBRA.

All employee contributions, if any, must be paid on a timely basis in order to maintain the continuous coverage of benefits. Coverage will be cancelled if the employee's premium payments are not made within a 30-calendar day grace period of the due date. Premium payments and policy coverage are subject to change.

- **Insurance Continuation Coverage** - After six (6) months of a medical leave of absence, an employee will be given the opportunity to elect COBRA continuation coverage for their medical insurance. If continuation coverage is elected, the employee will be responsible for up to 102% of the insurance premiums.
- **Flexible Spending Accounts** - Employee contributions towards a medical and/or dependent care flexible spending account (FSA) continue to be deducted from an employee's paycheck on a pre-tax basis during any portion of a leave that is paid. Employee contributions towards a dependent care FSA do not continue during any portion of a leave that is unpaid. For an unpaid leave or at the time a paid leave becomes unpaid, an employee will be given the opportunity to elect COBRA continuation coverage for the medical FSA, if applicable. If elected, contributions are on an after-tax basis.

Status Reports - If an employee's request for a leave of absence does not indicate a specific return to work date or if an employee requests a leave extension, the employee must update the Director of Human Resources as to the employee's status and intent to return to work every two weeks.

Extension of Leave - An employee may request an extension of a leave by submitting a written request to the Director of Human Resources at least two weeks prior to the end of the scheduled return-to-work date. In compliance with the Americans with Disabilities Act, Star may grant a leave extension if it does not impose an undue hardship on the Company. The Company reserves the right to deny any leave extension request.

Employment Restrictions - While on an approved leave of absence, an employee may not work for another employer during the same work hours that the employee is normally scheduled to work for Star.

Return-to-Work - At the conclusion of the leave, the following conditions apply:

- **Return Date** - If the employee's leave request indicates a specific return-to-work date, the employee should contact the employee's supervisor at least ten days prior to this date. If the ending date of the leave was not known at the time leave was granted, the employee must immediately notify the supervisor when a return-to-work date is established. If the Company determines that a position is available, the employee must report to work when scheduled;
- **Fitness-for-Duty Certification** - A fitness-for-duty certification from the employee's health care provider is required prior to returning to work. The certification must address the employee's ability to perform the essential functions of the job, indicate any work restrictions, and release the employee to return to work. In the event work restrictions are indicated, the Company will evaluate whether the restrictions can be reasonably accommodated; and
- **Job Restoration** - When a leave of absence is granted, Star cannot guarantee return to employment or position held. When an employee is able to return to work, Star will attempt to return the employee to a position based on business needs and the availability of a position for which the employee is qualified.

707 Volunteer Emergency First Responders

Policy Statement - Star understands the need for recognized volunteer community services and Companies to provide them. The Company may grant requests to employees who are volunteer firefighters or members of a volunteer ambulance corps to take reasonable leave to respond to declared states of emergency.

Declared States of Emergency - In the event the governor declares a state of emergency where the employee's volunteer fire department and/or ambulance service is called upon to respond, the employee must notify the Supervisor of their intent to take leave and, if possible, provide an estimate of the duration of the absence. If the company determines that the employee's absence will not create an undue business hardship, the employee will be granted a leave of absence to respond to the declared emergency.

Local Emergencies - In the event there is a local emergency where the employee's volunteer fire department and/or ambulance service is called upon to respond, an employee may be excused without corrective discipline.

Authorization - An employee may not leave work to respond to a call without written consent of a supervisor.

Verification of Service - Within three (3) business days of return to work, the employee must provide a letter from the head of the fire department or ambulance service confirming the dates and times of their volunteer service. Failure to provide this documentation will result in the tardiness or absence being regarded as unauthorized, which may subject the employee to corrective discipline up to and including termination.

Compensation for Exempt Employees - An exempt employee who is on approved first responder leave for any partial workdays is paid the employee's regular salary for those workdays. An employee may request to use credited, unused vacation leave during any portions of the leave that are unpaid.

Compensation for Non-Exempt Employees - First responder leave is without pay for a non-exempt employee. An employee may request to use credited, unused vacation leave during the excused absence.

Prohibition on Termination and Discipline – Star shall not terminate or discipline an employee who is a volunteer emergency responder and, in the line of duty, has responded to a call prior to the time he was due to report for work resulting in an overlap with their normally scheduled shift/workday.

708 State Specific Leave Rights

State law calls out and specifies defined leave for Jury Duty & Witness Leave, Crime Victim Leave, Military Leave, Disability Leave, and Maternity Leave, all of which have been specified in this employee handbook. Certain City and/or County laws may provide for other leave rights. If you feel that your City or County offers protected leave for an event not specified in this employee handbook, please see Human Resources.

800 COMPENSATION

801 *Pay Rates and Pay Increases*

Policy Statement – Star’s goal is to compensate each employee based on merit and consistent with the employee’s job duties and responsibilities. The wages being paid for similar work in the community and industry is also taken into account. All compensation policy decisions take into consideration the Company’s overall financial condition.

Shift Premium - An employee who works the 2nd or the 3rd shift is eligible for a \$1.00 shift premium.

Shift Start-Up - A 5-minute wash-up period is provided just before lunch and also before quitting time at the end of the shift for all shop personnel. Employees are expected to remain at their workstations up to the beginning of the wash-up period. Every employee is expected to start work promptly at his or her regularly scheduled starting time. Employees will not be permitted to punch in prior to their scheduled start time or out after their scheduled end time without prior permission from their supervisor. Violation of this policy will result in disciplinary action, up to and including termination.

Emergency Call-In Requirements - It is expressly understood that all maintenance employees are subject to being called in at various times to handle emergency or special customer service, break-downs, road calls, etc. Compensation shall be paid in accordance with the overtime provisions below. Such calls may occur on weekends or even holidays. When instructed to handle such a situation, employees are expected to respond expediently and courteously.

Employees responding to an emergency call will receive two hours of pay at two times their regular rate for any time spent on an emergency call less than two hours. All time worked beyond two hours on an emergency call will be compensated at time and a half. A call-in is considered to be an emergency for pay practice purposes if the call occurs more than three hours before the employee’s regularly scheduled starting time. Emergency call on a holiday will be paid four hours of pay at double time for call less than two hours. Emergency calls on a holiday exceeding two hours will be paid at time and a half.

Merit Pay Increases - Merit-based pay increases may be awarded by the Company in an effort to recognize outstanding job performance. An employee’s performance appraisal is generally considered in determining if an employee is eligible for a pay increase. Any pay increase received is based on merit and financial capability of the Company.

802 *Overtime*

Policy Statement - To meet operational requirements, an employee may be required to work beyond the employee’s normally scheduled work hours and/or on a normally scheduled day off. Overtime practices for Union employees may differ from those of Non-Union employees. Union employees are encouraged to consult the CBA for rules and regulations to the awarding any payment of overtime.

Authorization - A non-exempt employee must receive authorization from the employee’s supervisor before working beyond the employee’s scheduled work hours. A non-exempt employee who works overtime without prior authorization may be subject to discipline, up to and including termination of employment. It is expected that an exempt employee may need to work beyond the employee’s scheduled work hours on an as needed basis. An exempt employee does not need prior supervisory approval to work overtime hours.

Compensation for Non-Exempt Employees - A non-exempt employee receives overtime compensation for all hours worked in excess of 40 during a workweek at one and one-half times the regular rate of pay.

Credit for Paid Leave - Only actual hours physically worked, and holiday hours, are used to compute an employee’s overtime hours. Vacation sick, bereavement, and jury duty leave are not considered time worked for the purpose of determining overtime hours. In addition, non-work time paid to a non-exempt employee due to emergency operating conditions is not considered time worked for the purpose of determining overtime hours.

Compensation for Exempt Employees - In accordance with federal and state regulations, an exempt employee is not eligible to receive additional or overtime compensation for any hours worked in excess of the employee's normal workday or workweek, including any hours worked over 40 during the workweek.

Mandatory Overtime - Employees are expected to work additional hours as needed to maintain optimal business operations. An employee's failure to work overtime hours that have been requested by the employee's supervisor may result in disciplinary action.

803 Payroll Period and Payday

Payroll Period - The payroll period begins on Sunday and ends fourteen (14) calendar days later on Saturday.

Payday - Employees are paid every other week on Wednesday for the hours worked during the previous pay period. If a payday falls on a weekend or designated holiday, employees are normally paid on the preceding workday. The Company will notify employees in advance of any changes in pay days.

Commissions - Employees who are paid on a commission basis are paid their commission according to the Company's written commission plan, but not later than five business days after the commission becomes earned. Refer to *306 Separation from Employment* for information regarding the payment of commissions at the time of separation.

Direct Deposit - An employee may elect to have all or part of the employee's paycheck deposited directly into a checking and/or savings account at the employee's designated financial institution each payday. If you wish to set up Direct Deposit, you must do so using the payroll website and entering the data for your own accounts and your own pay distribution. See Human Resources for assistance.

Authorized Check Release - An employee's supervisor shall not release a paycheck to anyone other than the employee unless the employee has provided a signed, written authorization to the Company.

804 Payroll Deductions

Statutory and Voluntary Deductions - In compliance with government regulations, Star deducts the required portion of an employee's wages for federal, state, and social security and Medicare taxes and court-ordered wage garnishments. An employee may voluntarily authorize payroll deductions for items that are for the benefit of the employee, such as insurance benefits and the retirement plan, by submitting a written authorization to the Company. All statutory and voluntary payroll deductions are indicated on an employee's pay stub.

Deductions from Exempt Employees' Pay - In accordance with state and federal employment regulations, exempt employees are paid on a salary or fee basis. Exempt employees receive a predetermined amount each pay period that is not reduced because of variations in the quality or quantity of their work. However, there are certain circumstances where deductions from exempt employees' pay are permissible. Such circumstances include:

- When an employee is absent from work for one or more full days for personal reasons other than sickness or disability;
- For absences of one or more full days due to sickness or disability if the deduction is made in accordance with a bona fide plan, policy or practice of providing compensation for salary lost due to illness;
- To offset jury and witness fees or military pay;
- For unpaid disciplinary suspensions of one or more full days for violations of workplace conduct rules;
- For penalties imposed for violation of safety rules of major significance;
- When an employee takes unpaid leave under the Family and Medical Leave Act (FMLA); or
- During the initial or last week of employment if the employee does not work the entire workweek.

Improper Payroll Deductions - The Company prohibits any deductions from an employee's paycheck that are in violation of federal or state regulations. An employee who believes that an improper paycheck deduction has been made should contact the Payroll Administrator or Human Resources immediately. If it is determined that an improper deduction was made, the employee will be promptly reimbursed. An employee will not be subject to any form of retaliation for raising a concern over payroll or other issues concerning the calculation of their pay.

Wage Overpayment or Underpayment - If there is ever a time when there is a question about proper payment, the employee should report the perceived inaccuracy to the Payroll Administrator or to Human Resources. The Human Resources Director will investigate the situation and if necessary, will make the employee whole, or in the case of an overpayment, make arrangements to collect the overpayment. Both the Director of Human Resources and the employee will sign an acknowledgment form signifying agreement to the correction.

Garnishments - An employee is notified as soon as possible if the Company is required to deduct any garnishments from the employee's wages.

Questions - Questions concerning paycheck deductions or how they were calculated should be directed to the Payroll Administrator or the Director of Human Resources.

805 ***Commission Plan***

Policy Statement - A commission plan has been implemented for employees based on job title, as a part of, or in addition to, their wages. The commission plan is in writing and is distributed to all covered employees.

Plan Modifications - The commission plan may be modified or terminated at the Company's discretion. Covered employees will receive a copy of any revisions to the plan.

806 ***Bonus Plan***

Policy Statement - A bonus plan has been implemented for certain employees based on role within the Company. Covered employees receive a copy of the bonus plan.

Plan Modifications - The bonus plan may be modified or terminated at the Company's discretion. Covered employees will receive a copy of any revisions to the plan.

901 *Employee Benefits Administration*

Policy Statement - Star offers comprehensive benefit plans to employees. Eligibility for benefits is dependent upon several factors, including employment classification and length of service.

Plan Documents - Detailed information about insurance benefits is covered in greater detail in the applicable benefit plan documents. Employee benefits are administered according to applicable government regulation, insurance contract, certificate of coverage, plan document, and/or Company policy. In the event of a discrepancy between the information presented in this Employee Handbook and the applicable government regulation or insurance document, the government regulation or insurance document will take precedent.

In addition, the Company has discretionary authority to determine eligibility for benefits and to interpret the terms of each benefit plan.

Changes in Benefits - The Company reserves the right to add, modify, or terminate benefits for all current and former employees, to change carriers, and/or offer alternative insurance plans at any time. Further, all Company contributions are subject to change at any time. Star also reserves the right to make determinations of eligibility for benefits in its sole discretion and to revise these eligibility requirements without notice.

Plan Administrator - The Human Resources Director is the Plan Administrator of the Company's benefit plans. The Plan Administrator is responsible for all employee communications and disclosures concerning Company benefits and is available to answer any questions.

Enrollment Information - An employee must complete the applicable insurance enrollment forms and payroll deduction authorization forms in order to receive insurance benefits. All forms must be submitted in a timely manner, but no more than 30 days, in order to ensure benefits will go into effect on the desired effective date.

Waiver of Benefits - An employee who is eligible to participate in an insurance plan but who declines coverage must sign a waiver declining such coverage.

Change in Employment Classification - If an employee's employment classification changes or the number of hours normally worked per week falls below eligibility requirements for a particular benefit, the employee will be notified of any changes in Company benefits. This notification includes information regarding insurance continuation coverage, if applicable.

The following is a brief overview of the benefits available to eligible employees. It is intended as a source of general information only. Plans may differ depending on employee classification and Union status. Union employees are encouraged to consult the Collective Bargaining Agreement for benefit plans available to Union employees. More detailed information on insurance benefits is available in the applicable plan document or government regulation.

902 **Medical Insurance**

Policy Statement - The Company offers eligible employees comprehensive medical insurance coverage.

Eligibility - Full-time employees are eligible to participate in a group sponsored medical insurance plan upon completion of sixty (60) days of continuous service, provided all eligibility requirements of the plan are met. Eligible employees may also enroll in the medical insurance plan during the annual open enrollment period or at the time of a qualified change in employment or family status, as defined by the Internal Revenue Service (IRS) and the insurance carrier. Part-time and temporary employees are not eligible for medical insurance coverage but have the option of purchasing health insurance available through the Health Insurance Marketplace at their own expense. Union employees should consult the CBA for eligibility information for union employees.

Coverage - Individual and family coverage is available. Other health coverage alternatives may be available to you through the Health Insurance Marketplace. For more information about health insurance options available through a Health Insurance Marketplace, visit www.healthcare.gov.

Premium Payment - Star contributes a specified dollar amount per month towards the premium for each eligible employee. Employees are responsible for the remaining portion of the insurance premium for the plan selected.

Cancellation of Coverage - An employee may elect to cancel the medical insurance coverage at any time. The appropriate insurance cancellation form may be obtained from Human Resources. Cancellation becomes effective immediately.

Continuation of Coverage - If a covered employee, spouse, and/or dependents lose their group medical insurance coverage due to certain qualifying events, they may be eligible to temporarily continue such coverage at their own expense (See *Continuation of Benefits*).

903 **Dental & Vision Insurance**

Policy Statement - The Company offers eligible employees comprehensive dental insurance coverage.

Eligibility - Full-time employees are eligible to participate in a group sponsored dental insurance plan, provided all other eligibility requirements of the plan are met. Eligible employees may also enroll in the dental insurance plan during the annual open enrollment period or at the time of a qualified change in employment or family status, as defined by the Internal Revenue Service (IRS) and the insurance carrier. Part-time and temporary employees are not eligible for dental insurance coverage. Eligibility may differ between Union and Non-Union employees. Union employees are encouraged to consult the CBA for eligibility and coverage practices.

Coverage - Eligible employees have the option of enrolling in a dental insurance plan. Individual and family coverage are available.

Premium Payment - Star contributes a specified dollar amount per month towards the premium for each eligible employee. Employees are responsible for the remaining portion of the insurance premium for the plan selected.

Cancellation of Coverage - An employee may elect to cancel the dental insurance coverage at any time. The appropriate insurance cancellation form may be obtained from Human Resources. Cancellation becomes effective immediately.

Continuation of Coverage - If a covered employee, spouse, and/or dependents lose their group dental insurance coverage due to certain qualifying events, they may be eligible to temporarily continue such coverage at their own expense (See *Continuation of Benefits*).

904 Section 125 Plan

Eligibility - Full-time employees may enroll in a Section 125 plan upon completion of sixty (60) days of continuous service, provided all eligibility requirements of the plan are met. Part-time and temporary employees are not eligible for this benefit. The options offered under the Section 125 plan are summarized below. Union employees may have different eligibility requirements and should consult the CBA.

Pre-Tax Insurance Premiums - An employee may elect to pay the employee's contribution towards the medical, dental and vision insurance premiums with pre-tax dollars, which means deductions are taken from the employee's paycheck before federal, state, and social security taxes are calculated. This reduces the employee's taxable income and increases net wages.

Flexible Spending Accounts - An employee may elect to have a pre-determined amount deducted from the employee's paycheck on a pre-tax basis each pay period to be placed in a medical flexible spending account (FSA), dependent care FSA, or both. Money an employee sets aside in a medical FSA may be used to cover certain medical, dental, and vision care expenses that are not reimbursable through the employee's insurance plan(s). Money set aside in a dependent care FSA may be used to cover eligible day care and nursery school expenses for covered dependents.

Election Changes - Eligible employees may enroll in or decline coverage in the Section 125 Plan during the annual open enrollment period. Once a pre-tax election is made, it must normally remain in effect for the entire plan year unless there is a qualifying change in employment or family status, as defined by the IRS and the insurance carrier.

905 Life Insurance

Eligibility - Star offers group term life insurance coverage to full-time employees on the 60th day of employment provided all eligibility requirements of the insurance plan are met. Part-time and temporary employees are not eligible to participate in the life insurance plan.

Base Coverage - The amount of the life insurance coverage is \$25,000.00 for each employee, and includes \$3500 for spouse and \$1500 for children.

Enhanced Coverage – Employees may choose to increase their coverage up to \$100,000 for themselves, \$50,000 for their spouse, and \$10,000 per child, at their own expense.

Premium Payment - The Company pays 100% of the Base Coverage life insurance premium defined above, for eligible employees. The employee is responsible for 100% of the premium for any plan selected beyond the base plan.

906 Retirement Plan

Policy Statement - Star administers a retirement plan 401(k), and a post-tax Roth 401(k), that allows eligible employees to save towards their retirement. Several investment options are available. Union employees should consult the CBA for information on retirement planning options.

Eligibility - Full-time and part-time non-union employees who are at least eighteen (18) years of age are eligible to participate in the plan after 90 days of continuous service. Temporary employees are not eligible to participate in the plan. Union employees should consult the CBA for information on retirement planning eligibility.

Contributions - An employee may contribute a percentage or specified dollar amount of the employee's eligible compensation to the plan, subject to limitations set by the IRS. An employee's contributions are made on a pre-tax basis.

The Company currently contributes a percentage, or matching contribution, of an employee's deferred wages. The Company's contribution may vary. Any change in contribution level is normally announced in advance.

907 **Continuation of Insurance Benefits**

Policy Statement - The Consolidated Omnibus Budget Reconciliation Act, commonly referred to as COBRA, gives employees and covered dependents the opportunity to continue their group health coverage at group rates after coverage would normally be lost due to any of the following qualifying events:

- Employee's separation from employment for reasons other than gross misconduct;
- Employee's reduction in work hours;
- Employee's legal separation or divorce;
- Employee's entitlement to Medicare;
- A dependent's loss of dependent child status under the plan; or
- Death of the employee.

Eligibility - An individual who meets the definition of a "qualified beneficiary" is eligible for insurance continuation coverage. A "qualified beneficiary" is an individual who was covered under a group health plan on the day before a qualifying event as either a covered employee, the spouse of a covered employee (this includes same-sex spouses for medical insurance), or a dependent child of a covered employee. A child who is born to, or placed for adoption with, the covered employee during a period of continuation coverage is also a qualified beneficiary.

Cost - A qualified beneficiary who elects continuation coverage is responsible for 100% of the cost of the insurance premiums. The Company will also charge a 2% administrative fee, for a total of 102%.

Marketplace Options - Instead of enrolling in COBRA continuation coverage, other health coverage alternatives may be available to you through the Health Insurance Marketplace where you may be able to get coverage that costs less than COBRA continuation coverage. For more information about health insurance options available through a Health Insurance Marketplace, visit www.healthcare.gov or call 1-800-318-2596.

Maximum Continuation Period - Each qualified beneficiary has the option of electing health insurance continuation coverage for up to 18 or 36 months, depending on the specific qualifying event.

Change in Status - A covered employee or qualified beneficiary must submit a completed *Qualified Beneficiary Notice of Qualifying Event Form* to the Plan Administrator when there is a legal separation, divorce, the employee becomes covered by Medicare, or a child's loss of dependent status. The Plan Administrator must also be notified of a second qualifying event or a Social Security Disability determination which could extend the continuation coverage period from 18 to 29 months. Notification must generally be provided to the Plan Administrator no later than 60 days from the date of the qualifying event.

The Company is not responsible for errors in coverage that are the result of an employee's failure to provide timely notification to the Plan Administrator of such an event.

Questions - Full details regarding insurance continuation coverage is available in the plan's Summary Plan Description (SPD) or by contacting the Plan Administrator.

908 **Vacation Leave**

Eligibility - Full-time employees are eligible for paid vacation leave for a period of rest and relaxation in recognition for services performed throughout the year. Part-time and temporary employees are not eligible for paid vacation leave but are allowed unpaid time off with prior supervisory approval. Union employees should consult the CBA for information specific to Union employee vacation practices

Allowance - Eligible employees are credited with paid vacation leave in accordance with the following schedule:

COMPLETED, CONTINUOUS LENGTH OF SERVICE AS OF ANNIVERSARY DATE	VACATION LEAVE CREDITED AS OF ANNIVERSARY DATE
1 Year	40 hours
3 Years	80 hours
8 Years	120 hours
15 Years	160 hours

Vacation leave is credited based on the number of hours an employee is normally scheduled to work, up to a maximum of eight hours per day and 40 hours per workweek for a full-time employee.

Vacation leave is credited on an employee's anniversary date for the previous year of service. Vacation leave is not credited prior to an employee's anniversary date and may be taken only after it is credited.

The extra five (5) days of vacation leave earned on an employee's third year, eighth year, and fifteen year anniversary is credited on the employee's anniversary date and not before.

New Employees - A newly hired employee is credited with vacation leave on the employee's one-year anniversary date.

Benefit Year - The benefit year is the period commencing and ending on an employee's annual anniversary date.

Vacation Leave Pay - A non-exempt employee is compensated at the employee's current base rate of pay for each hour of vacation leave taken. An exempt employee receives the employee's regular salary for the vacation period.

Scheduling - Vacation requests must be submitted in writing to an employee's supervisor at least seven (7) days in advance. Every effort is made to authorize vacations in accordance with employee requests, taking the date the request is received, operating requirements, and length of employment into account. Due to business needs, the Company may limit the number of employees taking vacation leave at any given time. In addition, the Company reserves the right to designate when some or all of an employee's vacation leave is taken. The same procedure is followed for time off requests immediately preceding or following a Company-observed holiday. However, in the event vacation leave must be denied to one or more employees due to multiple requests, consideration is given to the frequency with which an employee has previously requested and received time off around designated holidays.

Use of Vacation Leave - Vacation leave may be used in increments of four (4) hours. An employee who is on a FMLA leave may use credited, unused vacation leave in increments of four (4) hours.

Accumulation - A maximum of forty (40) hours may be carried over from one benefit year to the next. Any hours over forty (40) are forfeited on the last day of the benefit year. An employee is not eligible to receive payment for any vacation leave that is forfeited.

Holiday During Scheduled Vacation - If a Company-observed holiday falls on an employee's normally scheduled workday and the employee is on paid vacation, the day is counted as a paid holiday and not a vacation day. No allowance is made for sickness or other paid absence occurring during a scheduled vacation.

Leave of Absence - Vacation leave accrues while an employee is on a paid leave of absence (including paid FMLA leave) but does not accrue while an employee is on an unpaid leave of absence. For the purpose of this policy, paid leave is defined as leave during which an employee is using credited, unused vacation leave. An employee who has taken an unpaid leave of absence during the preceding benefit year is credited with prorated vacation leave on the employee's anniversary date based on the time worked during the preceding year.

Separation from Employment - An employee who resigns, retires, or is laid off is eligible to receive compensation for credited, unused vacation leave at the time of separation from the Company. To be eligible for this payment, an employee who resigns or retires must give and complete at least two (2) workweeks written notice and return all Company property in the employee's possession. An employee's credited, unused vacation leave is forfeited if the employee is terminated for misconduct or poor performance, or if the employee fails to give appropriate notice and complete the notice period.

909 **Sick Leave**

Eligibility – In accordance with Michigan law, Full-time employees are eligible for paid sick leave for personal illness or injury and for doctor and dentist appointments. Sick leave may also be used to provide direct care to an ill parent, spouse, or child. Part-time employees working less than 25 hours per week and temporary employees are not eligible for paid sick leave but are allowed unpaid time off with prior supervisory approval. Sick Leave for Union employees may differ from the language stated in this section of the employee handbook. Union employees should look to the CBA for information regarding sick time for Union employees.

Allowance – Non-exempt employees shall accrue a minimum of one hour of paid earned sick time for every 35 actual hours worked but shall not be entitled to use more than 40 hours of paid earned sick time per year. Exempt employees are deemed to have worked a 40-hour week for purposes of calculating sick time under this new law, and are also restricted to using no more than 40 hours of paid sick time per year. Sick leave is only accrued on hours actually worked.

Earned sick time shall begin to accrue on the first day of employment. An employee may use accrued earned sick time as it is accrued. New employees may begin to use their accrued sick time on the first day following 90 days of employment. Existing employees begin to accrued paid sick leave when the plan is initiated (3/29/2019).

Benefit Year - The benefit year is the period commencing on the employee's hire date and ending on the employee's anniversary date each year.

Sick Leave Pay - A non-exempt employee is compensated at the employee's current base rate of pay for each hour of sick leave taken. An exempt employee receives the employee's regular salary for the period of sick leave taken.

Notification Procedures - An employee who is unable to work due to illness or injury must notify the employee's supervisor in accordance with the Company's attendance policy (See *701 Attendance*).

Accumulation - A maximum of 40 hours of sick leave may be carried over from one benefit year to the next. Any hours over 40, will be forfeited

Use of Sick Leave - Sick leave is a benefit to be used for illness of the employee and the employee's immediate family members only and is not intended to be an extension of vacation leave. Sick leave may only be used in four (4) hour increments.

Medical Certification - An employee who is absent from work for more than three consecutive workdays due to illness or injury may be required to provide documentation from the employee's health care provider verifying that the employee is unable to work. Medical documentation may also be required for certain shorter absences, if it is suspected that the employee has developed a pattern of sick leave use or if an excessive amount of sick leave has been used. If an employee is on an authorized leave of absence in accordance with the Family and Medical Leave policy or the Leave of Absence Policy, the medical certification provisions of the applicable policy apply. Failure to produce the medical certification may result in an employee receiving the time off without pay and/or jeopardize continued employment with the Company.

Upon return to work, the employee will also be required to provide a medical statement from the employee's health care provider indicating that the employee is able to return-to-work and listing any work restrictions, if applicable. In the event work restrictions are indicated, the Company reserves the right to evaluate if the restrictions can be reasonably accommodated. An employee is not allowed to return to work until a medical statement is provided to the Company.

Leave of Absence - Sick leave does not accrue while an employee is on a paid leave of absence (including paid FMLA leave). Neither does it accrue while an employee is on an unpaid leave of absence. For the purpose of this policy, paid leave is defined as leave during which an employee is using credited vacation and/or sick leave. An employee who has taken an unpaid leave of absence during the preceding benefit year may be credited with prorated sick leave, based on the time worked during the preceding year.

Separation from Employment – Employees are not eligible to receive compensation for credited, unused sick leave upon separation from the Company. That time is forfeited upon termination.

910 **Holidays**

Observed Holidays - The Company observes the following holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Birthday & Company Anniversary
-if taken within 1 month of the event
- Thanksgiving Day
- Christmas Eve (4 hours)
- Christmas Day
- New Year's Eve (4 hours)

Eligibility - Full-time employees are eligible for paid holidays upon the completion of ninety (90) days of continuous service. Part-time and temporary employees are not eligible to receive compensation for Company-observed holidays.

Holiday Pay Requirements - An employee must work the entire scheduled workday before and after the holiday unless time off has been authorized in advance or verification of the employee's illness is provided from the employee's health care provider. A non-exempt employee who fails to follow this procedure will not be eligible for holiday pay. An exempt employee's pay will not be docked for failure to follow the required procedure but the employee may be subject to disciplinary action.

Holiday Pay - A non-exempt employee is eligible for holiday pay at the employee's current base rate of pay. An exempt employee receives the employee's regular salary for each Company-observed holiday.

Leave of Absence - An employee who is on a paid leave of absence (including paid FMLA leave) is eligible to receive compensation for any Company-observed holidays that occur during the leave. For the purpose of this policy, paid leave is defined as leave during which the employee is using credited, unused vacation and/or sick leave. An employee who is on an unpaid leave of absence is not eligible for any paid holidays that occur during the leave.

Holiday Occurs during Vacation - If a Company-observed holiday falls on an employee's normal workday and the employee is on paid vacation, the day is counted as a paid holiday and not a vacation day.

Holiday Observance - If a scheduled holiday falls on a weekend day, the Company will make an official announcement as to the date the holiday will be observed.

Assigned to Work on a Holiday - A full-time, non-exempt employee who is required to work on a designated Company holiday is eligible to receive a floating holiday to be used within thirty (30) days of the actual holiday. An exempt employee who is required to work on a designated Company holiday is eligible to take the corresponding time off during the current workweek.

Union Employees & Holiday – Holiday pay and observances may be different for Union employees. Union employees are encouraged to consult the CBA for information specific to their time off allowances.

Holidays Not Designated by the Company - An employee may request time off for Sabbath observance or to observe any other particular holy day in accordance with his or her religion. An employee may also request time off to participate in a religious practice of his or her religion. Requests must be submitted in accordance with the Company's attendance policy (See the *Attendance* policy for additional information). An employee will not be denied time off solely because it has been requested for religious reasons. Time off is generally granted so long as it does not create an undue hardship on the Company. A non-exempt employee

may be allowed to make up the lost work time during the current workweek with prior supervisory approval, so long as work is available and a mutually convenient time can be agreed to by the employee and the supervisor. An employee's available paid time off benefits (e.g., vacation and sick leave) must be used.

911 Short Term Disability Coverage

Eligibility & Benefit - All medical leaves will fall under the classification of disability and will be covered by our disability policies subject to the terms of those policies. All full-time employees with more than 12 months of service upon being disabled within the definitions of the current weekly indemnity coverage shall receive a wage continuation of his or her wage at a rate of 70% up to defined maximum (see benefit coverage or your CBA). For hourly persons, such wage continuation shall be paid on a straight time 40 hours per week basis, without consideration of overtime commonly worked.

Coverage - This wage continuation shall continue so long as the employee remains disabled under the terms of our current weekly indemnity coverage; provided however, in the event the employee's employment is terminated or a reduction in force is initiated which would have affected subject employee, entitlement to any disability benefits will end. In no event shall such wage continuation continue for longer than 13 weeks from date of disability. The company, in its sole discretion, may revise or eliminate this program at any time. Union employees should consult their CBA for coverage specific to Union employees.

912 Long-Term Disability

Eligibility - Full-time employees are eligible to participate in a Company-sponsored long-term disability plan that provides income at the time of a qualifying injury or illness. Part-time and temporary employees are not eligible for this benefit.

Coverage - Eligibility for long-term disability benefits is determined by the insurance carrier. Benefits begin after the 13th weeks of disability, up to a maximum of 5 years or until the employee reaches age 65.

Benefits - An eligible employee generally receives 60% of the employee's average weekly wages, up to a maximum of \$1000.00 per week. Long-term disability benefits may be offset by any other benefits an employee receives. There is no coverage for medical care.

Premium Payment - The Company pays 100% of the insurance premium for eligible employees.

913 Workers' Compensation

Policy Statement - Workers' compensation benefits for lost wages and medical care are provided to eligible employees who suffer a job-related injury or illness.

Eligibility - Employees are covered by Star workers' compensation plan upon hire.

Coverage - The Workers' Compensation Board determines an employee's eligibility for benefits. If deemed eligible, an employee is covered for the period of disability specified by the employee's health care provider and the Workers' Compensation Board.

Benefits - Coverage is normally provided for all necessary medical care that is directly related to the original injury or illness and the recovery from such disability. An employee who is totally or partially disabled and unable to work for more than seven days is eligible for cash benefits starting with the eighth day of disability. If the disability extends beyond 14 days, cash benefits are paid retroactively for the first seven days of the disability. Cash benefits are normally calculated based on two-thirds of an employee's average weekly wages during the previous year multiplied by the percentage of disability, up to a specified maximum.

Voluntary, Off-Duty Conduct - Neither Star nor its insurance carrier is liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by the Company.

Leave of Absence - The Family and Medical Leave Act policy or the Company's Leave of Absence policy normally applies to an employee who is receiving workers' compensation benefits. Please refer to these policies for information regarding leave requests, benefit continuation, job restoration, etc.

Premium Payment - The cost of workers' compensation insurance is paid entirely by the Company.

914 *Unemployment Insurance*

Policy Statement - Unemployment insurance benefits provide short-term financial assistance to individuals who have lost their jobs due to no fault of their own and are ready, willing, and able to work.

Eligibility - Eligibility for unemployment insurance is determined by the State Department of Labor.

Cost - The cost of unemployment insurance coverage is paid entirely by the Company.

915 *Social Security and Medicare*

Policy Statement - Social Security and Medicare benefits are available for retirement, survivor's benefits, and medical costs under qualifying conditions as determined by the Federal Social Security Administration Office.

Cost - The Company matches employee contributions to Social Security (FICA) and Medicare.

916 *Employee Purchase Policy*

Eligibility - Full-time, and part-time employees are eligible to purchase parts at wholesale cost upon completion of three months of continuous employment. All purchases must be approved by the Branch manager and billed at time of purchase. If the purchase is for a larger amount and the employee needs extended terms it must be set up and approved by Credit and Collections Manager before the purchase is made. Full-time and part-time employees also receive an employee discount of 30% on all Rentals upon completion of three months of continuous employment. Employees are responsible for cost of mileage and insurance with all rentals. Rental must be paid at the time of the rental. There is no payroll deduction for rentals or parts purchases.

Sales Transactions - Employee sales transactions must be handled by a member of management. Payment in full must be made at the time of purchase.

Restrictions - An employee may only purchase items at a discount for the personal use of the employee or a current member of the employee's household. Employee purchases may not be made for relatives not living in the employee's household, for friends of the employee, or for commercial use or resale.

1000 PERSONAL CONDUCT

1001 *Personal Appearance*

Policy Statement - We value each employee's individuality and personal sense of style. We also pride ourselves on professionalism, attention to detail, and safe work environment. Each employee is expected to dress appropriately according to the work situation and maintain an appropriate level of personal hygiene and cleanliness. Acceptable personal appearance is a requirement of employment with the Company.

Business casual dress is the standard for the corporate office - Any exception to this, due to the particular nature of a job, or in certain work environments, must be approved by your supervisor in advance. In the corporate office, every Friday and certain other days (to be determined by management) will be declared "dress-down" days. On these days, jeans, sweatshirts, t-shirts with prints, logos, etc. and sneakers are allowed. The following rules regarding the condition of clothing applies to "dress-down" days as well.

All employees at all locations including rental, service and parts (not otherwise required to wear uniforms) will be subject to these rules including the exclusion of blue jeans, with the exception that you may "dress-down" on most Friday's and on certain other days specified by management (see details above). Rental, Service, Parts and Branch Managers have the option to wear uniforms provided by Star. *See Casual Dress Day on the next page.*

Uniforms – Service employees are required to wear uniforms. The Company will provide an employee with enough uniforms consistent with the average number of days per week that the employee works. Because the uniforms are made of "wash-and-wear" materials and can be laundered routinely with an employee's personal clothing, the Company does not provide a uniform maintenance allowance.

Inappropriate Attire - Office employees are prohibited from wearing the following clothing at any time because it does not present a businesslike appearance: jeans of any type or color; suggestive, form fitting, or low-cut clothing; exposed undergarments; leggings; sweatpants; strapless or halter tops; spaghetti-strap shirts; tank tops; revealing shirts of any kind; athletic clothing; flannel shirts; beachwear; sneakers; flip-flops; ripped, faded, or stained clothing; clothing with holes; hats unless required in observance of a religious custom or practice; T-shirts; or shirts with inappropriate slogans or pictures. This list is not all-inclusive. No dress code can cover all contingencies so employees must use a certain amount of judgment in their choice of clothing to wear to work. If you experience uncertainty about acceptable, professional business casual attire for work, please ask your supervisor.

Slacks, Pants, and Suit Pants - Slacks that are similar to Dockers and other makers of cotton or synthetic material pants, wool pants, Capri pants colored denim other than blue, and nice-looking dress synthetic pants are acceptable. "Skorts" are acceptable if they meet the following criteria: garment must be of "A-Line" design with enough materials so that it looks like a skirt (front and back) and must be no shorter than 2" below fingertip length.

Inappropriate slacks or pants include blue denim, sweatpants, exercise pants, shorts of any type, bib overalls, and any spandex or other form-fitting pants such as bike clothing, and pants that are too tight.

Skirts, Dresses, and Skirted Suits - Casual dresses and skirts that are split at or below 2" below fingertip are acceptable. Dress and skirt length should be no shorter than 2" below finger-tip length. Denim skirts are acceptable. Strapless dresses, sun dresses, beach dresses, and spaghetti-strap dresses are inappropriate for the office.

Shirts, Tops, Blouses, and Jackets - Casual shirts, golf shirts, dress shirts, sweaters, sleeveless tops, tops, denim tops and turtlenecks are acceptable. Suit jackets or sport jackets are also acceptable attire for the office, if they do not violate the above listed guidelines.

Inappropriate attire includes tank tops, tube tops, sweatshirts, midriff tops, halter-tops, and t-shirts (except if plain and worn under another shirt, sweater or jacket).

Casual Dress Day - Fridays have been designated as casual dress day in the office. On these days, office employees are allowed to dress in a more casual fashion. This policy does not apply to employees who wear uniforms or other types of special clothing. On casual dress days, an employee's attire must still reflect professionalism and good taste for an office environment. Sneakers, T-shirts, sweatshirts, and beachwear, are not acceptable casual attire.

The Company reserves the right to cancel casual dress day for some or all employees when business circumstances warrant a professional appearance, such as for customer meetings or appointments.

Grooming Standards - All employees are expected to maintain clean and appropriate oral and bodily hygiene. An employee's hair (including facial hair) should be clean, combed, and well-groomed. An employer has the option of creating an image and may prohibit visible piercings or tattoos for certain positions. At the discretion of management, an employee may be required to fully cover a large tattoo. Excessive body piercings, tattoos, perfume, cologne, or body odor are not permitted. Star reserves the right to require employees to conform to its standards of personal presentation and appearance.

Fashion Accoutrements - Star maintains a fragrance-appropriate workplace. Employees are expected to limit the wearing of cologne or perfume as well as lotions, hairsprays, aftershaves, etc.. Employees are also expected to limit jewelry, especially in safety sensitive positions, where any form of jewelry, including wedding rings is prohibited.

Reasonable Accommodation - A reasonable accommodation will be made for employees' sincerely held religious beliefs and disabilities whenever possible, consistent with the business necessity unless it creates a safety concern or imposes an undue hardship on the Company. An employee should contact Human Resources to request an accommodation.

Policy Violations - An employee who reports to work inappropriately dressed or groomed may be sent home to change. A non-exempt employee is not compensated for any time lost from work to comply with this policy.

1002 Misrepresentation

Policy Statement - Star is committed to operating the Company honestly, with integrity, and in compliance with government regulations. All employees are expected to share this commitment.

Prohibited Conduct - Employees must refrain from any illegal, fraudulent, or dishonest business activity. Examples of conduct that is prohibited include, but are not limited to, violations of government or Securities and Exchange Commission (SEC) regulations, preparing fraudulent accounting records or financial reports, and billing customers for services not performed or goods not delivered or over/undercharging them. It also includes misrepresenting a Company product or service to our customers or intentionally giving false information.

Reporting Policy Violations - An employee is required to report any conduct that he or she reasonably believes violates this policy by notifying the employee's supervisor and/or Human Resources immediately.

1003 **Substance-Free Workplace**

Substance-Free Workplace - It is Star's goal to provide a drug-free and alcohol-free, healthy, and safe workplace. Employees are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner.

Prohibited Behavior - An employee is prohibited from possessing, using, selling, purchasing, storing, distributing, or manufacturing alcoholic beverages, marijuana, illegal drugs, controlled substances, or narcotics on Company premises, at work sites, or at any location while representing the Company. An employee is also prohibited from having alcoholic beverages, illegal drugs, controlled substances, or narcotics that may impair an employee's ability to safely perform the duties of his/her job present in the employee's system when reporting to work, during working time, or at any time while conducting business-related activities. While Michigan has legalized marijuana for medicinal or recreational purposes, the Company is not required to allow the use of marijuana in the workplace. Marijuana and its use are strictly prohibited on Company property. Any employee who fails a drug test for marijuana or who reports to work impaired, will be subject to disciplinary action, up to and including termination of employment. Drug paraphernalia, such as pipes and needles, is prohibited on Company premises, at work sites, and in vehicles being used for Company business, unless the employee is able to provide a prescription showing medical necessity for health reasons.

The Company prohibits the off-premises abuse of alcohol and controlled substances, including marijuana, as well as the possession, use, or sale of illegal drugs, when these activities adversely affect job performance, job safety, and/or the Company's reputation in the community.

Business Functions - At certain times, Star may designate that alcohol can be consumed on Company premises or during business activities that are conducted in a social setting (e.g., dinner meetings with customers, Company-sponsored office parties). Employees are expected to exercise moderation and good judgment at all times, and will be held to the same standards of behavior as otherwise required, regardless of the circumstances. An employee who becomes intoxicated, acts inappropriately, and/or violates one or more Company policies (e.g., anti-harassment/sexual harassment, attendance, driving on Company business) during these activities may be subject to disciplinary action, up to and including termination of employment.

Use of Prescription and Over-the-Counter Drugs - Prescription drugs must be in the possession of the individual to whom the prescription was written, taken in the dosage prescribed, and maintained in their original containers. An employee is not allowed to use prescription drugs that have not been legally obtained or in a manner or for a purpose other than as prescribed. An employee must inform the employee's supervisor of any prescription or legal, nonprescription (e.g., over-the-counter) drugs including medical marijuana that are currently being taken if they could in any way affect or impair the employee's ability to perform the job safely. The legal use of prescribed and over-the-counter drugs is only permitted on the job if it does not impair an employee's ability to perform the job safely and it does not affect the safety or well-being of other individuals in the workplace.

An employee should not drive on Company business if the employee's ability to drive safely has been impaired by illness, fatigue, injury, prescription medication, illegal drugs, or alcohol.

Reporting of Problems - Any observation or knowledge of an employee who is in a condition that impairs the employee's ability to perform job duties, presents a hazard to the safety and welfare of others, or appears to otherwise be in violation of the Company's substance-free workplace policy should be reported to the employee's supervisor or to Human Resources immediately.

Drug-Free Workplace Act - Star complies with the Drug-Free Workplace Act. In accordance with the Act, an employee must notify the employee's supervisor of any criminal drug conviction occurring in the workplace within five days of the conviction.

Screening for Drug or Alcohol Use - In addition to the substance testing policy addressed below for commercial drivers, an employee may be tested for alcohol or illegal drugs upon extending a conditional offer of employment, where there is a reasonable suspicion that abuse, impairment, or a violation of this policy exists. Testing will be conducted in accordance with applicable state or municipal regulations and will generally follow Department of Transportation (DOT) regulations. An employee who is instructed to take a drug test must comply with all procedures at the testing facility. Failure to take a test or follow procedures will result in termination. Drug and alcohol tests are paid for by the Company, and are the property of the Company, and may be conducted as breath, hair, urine or blood testing.

An employee who tests positive to a confirmed test for alcohol or controlled substances will be subject to disciplinary action, up to and including termination of employment. In the event an employee is not immediately discharged for testing positive or for some other violation of this policy, the Company, in its sole discretion, may allow the employee to return to work pursuant to the employee executing a written agreement acknowledging that:

- 1) The employee tested positive or otherwise violated this policy; and
- 2) In exchange for the Company not discharging the employee for this instance of testing positive or otherwise violating this policy, the employee agrees to:
 - a) Undergo rehabilitation, counseling or other activities prescribed by the Company and/or a licensed medical professional;
 - b) Periodic, unannounced drug and/or alcohol testing for a set time period: and
 - c) Be subject to discharge for any future violation of this policy.

An employee's participation in a treatment program does not prevent Star from disciplining the employee for violations of this or other Company policies.

An employee who tests positive, admits to illegal drug use or related misconduct, or who voluntarily seeks assistance, and is not discharged, will not be allowed to return to work or continue working until the employee has been evaluated by a health care professional of Star's choice to determine if the employee can safely return to work.

Medical Marijuana - Star will, by law, exclude the employment of medical marijuana users in all applications involving driving, maintenance work on trucks, or any level of concentration, including office work.

DOT Drug and Alcohol Testing Policy - The Company has adopted a substance testing policy in compliance with the Omnibus Transportation Employee Testing Act of 1991. The purpose of this policy is to reduce accidents resulting from an employee's use of controlled substances and alcohol, thus reducing fatalities, injuries, and property damage. The policy applies to all covered drivers who operate commercial motor vehicles requiring a commercial driver's license (CDL) to operate. Pre-employment, random, reasonable suspicion, and follow-up substance testing are conducted. All covered employees receive a separate copy of this policy.

Policy Violations - Violations of this policy may result in disciplinary action, up to and including termination. The possession, use, sale, purchase, distribution, or manufacture of illegal drugs shall also be brought to the attention of the appropriate law enforcement agency.

1004 **Outside Employment**

Policy Statement - An employee is generally permitted to hold a second job as long as it does not interfere with the employee's job performance, pose an actual or potential conflict of interest, or compromise the interests of the Company. Outside employment that interferes with job performance, constitutes a conflict of interest, or compromises the interests of the Company is prohibited.

Performance and Work Schedule Requirements - An employee must meet all scheduling requirements of the Company, including business travel and overtime hours, and shall not receive authorization to report to work late or to leave work early in order to accommodate a second job.

Use of Paid Leave Benefits - An employee is not allowed to use paid sick leave or to take time off without pay to work at another employer.

Restrictions - An employee may not work for another employer or be self-employed if such work is in direct competition with Star. An employee is not permitted to perform any work for the Company's customers during non-working time if these services are normally available from and/or performed by Star. Further, an employee is prohibited from soliciting or performing any work for another employer, for the employee's own personal business, or for any other personal gain during working time, including communication by telephone or e-mail. No Company-owned equipment, supplies, or confidential information or techniques may be used for furtherance of an employee's personal business or for another employer. Employees who drive for Star as a required job function are responsible for ensuring that they comply with all DOT driving requirements, including maximum driving hours per week.

Notification of Outside Employment - An employee who is interested in obtaining outside employment must discuss the matter with the employee's supervisor prior to accepting the job to ensure that the above guidelines are maintained. Newly hired employees who are employed by another employer, own their own business, or partake in other work activities must disclose this information on their *Application for Employment Form*.

1005 **Driving on Company Business**

Policy Statement - Employees in certain positions may be required to drive Company or personal vehicles to conduct business on behalf of Star. Employees who drive on Company business must operate vehicles in a safe and responsible manner, and in compliance with all applicable motor vehicle and traffic regulations.

Driver's License - An employee who drives on Company business must possess a valid driver's license free from major infractions at the time of hire and throughout employment. An employee who operates a vehicle that requires a commercial driver's license (CDL) must possess and maintain this license throughout employment.

The driving records of final applicants and employees who apply for positions that involve driving are checked following a conditional offer of employment. Thereafter, the Company conducts motor vehicle record checks on a regular basis in compliance with state and federal regulations.

Driving While Impaired - An employee is prohibited from driving on Company business if the employee's ability to drive safely has been impaired by illness, fatigue, injury, prescription medication, illegal drugs, or alcohol.

Change in Status or Loss of Driver's License - An employee who drives on Company business must immediately notify the employee's supervisor if a ticket is received while driving a Company vehicle or if a conviction is received for any traffic violation (except parking) during working or non-working time. The employee's supervisor must also be notified immediately if the employee's driver's license is suspended, revoked, or cancelled, or if the employee becomes disqualified from operating or loses the right to operate a motor vehicle, including a commercial motor vehicle, for any period. An employee is not allowed to drive on Company business with a suspended or revoked license.

Suspension of Driving Privileges - An employee's Company driving privileges may be suspended for receiving an excessive number of traffic citations, regardless of whether the citations were received while driving on Company business. If an employee's Company driving privileges are suspended and the employee's position requires regular use of a vehicle, the employee may be reassigned to another position, if available, or terminated for inability to perform the duties of the job.

Traffic Violation - The employee is responsible for paying the cost of any traffic or parking tickets, moving violations, or fines that result from driving on Company business.

Use of Personal Vehicle for Company Business - An employee who drives a personal vehicle to conduct Company business must have auto liability insurance (for both bodily injury and property damage) and proof of a minimum policy for liability coverage of \$100,000 per person/\$300,000 per accident. If an employee's liability insurance lapses, the employee's supervisor must be notified immediately.

Company Liability - The Company does not assume any liability for injury to members of the public caused by the negligence of an employee who is driving a personally owned vehicle in the course of Company business. In addition, the Company is not responsible for any damage to an employee's personal vehicle or loss or damage to personal property contained within the vehicle.

Cell Phones/Wireless Devices - An employee is not allowed to make or receive calls on a cell phone and/or wireless device while driving unless a headset or hands-free device is used. In addition, an employee is prohibited from reading, writing, or sending text messages and emails, surfing the internet, or playing games while driving. If an employee needs to engage in any of these activities while driving, they must pull over to a safe location and stop the vehicle prior to using any device.

Accident - An employee must notify their supervisor and Director of Safety immediately in the event of an accident, theft, or damage involving a Company vehicle or personal vehicle being used for Company business, regardless of the lack of damage or injuries. A law enforcement officer should be summoned to the scene of any accident involving an employee or vehicle being used for Company business and an ambulance should be summoned if anyone appears injured. A copy of the Accident Report should be obtained from the police for submittal to Director of Safety.

Use of Company Vehicles - Company-provided vehicles may be assigned to employees for the purpose of conducting Company business. Only authorized employees are allowed to drive Company vehicles. Company vehicles may only be used for authorized Company business and may not be used for the personal use or private gain of an employee or to transport unauthorized individuals or materials. No unauthorized passengers are allowed in company vehicles.

Company Vehicle Maintenance - Employees are responsible for maintaining Company vehicles in a neat and clean condition at all times. Papers and garbage are to be removed from the vehicle at the end of each trip. Vehicles should be maintained in a safe and secure condition when not in use. It is the employee's responsibility to notify the Shop Supervisor when a Company vehicle is in need of maintenance or repair work.

1006 Personal Conduct

Policy Statement - For the benefit and safety of employees, customers, and the Company, an employee must comply with Star standards of behavior and performance. Conduct that interferes with business operations or is offensive to coworkers, customers, or the public is not tolerated.

Employee Responsibilities - Employees are expected to conduct themselves appropriately and to treat coworkers, customers, vendors, and visitors with courtesy and respect. Appropriate employee conduct includes, but is not limited to:

- Performing all assigned job duties efficiently, to the best of the employee's abilities, and in accordance with established performance standards;
- Being fair, considerate, and honest with supervisors, coworkers, customers, vendors, and members of the public in connection with the performance of their duties for Star;

- Reporting any suspicious, unethical, potentially violent, or illegal conduct by coworkers or any other persons with whom the employee conducts business on behalf of the Company; and
- Cooperating with any Star investigation.

Prohibited Conduct - An employee may be subject to disciplinary action, up to and including termination for a violation of a policy, procedure, or rule outlined in this Employee Handbook or otherwise established by the employee's supervisor. In addition, an employee may be subject to disciplinary action for engaging in any of the following:

- Offensive or unprofessional conduct in connection with the performance of their duties for Star;
- Improper performance of job duties or repeated failure to perform assigned duties and responsibilities;
- Unauthorized expenditure of Company funds;
- Being insubordinate, threatening, intimidating, disrespectful or assaulting a supervisor, co-worker, customer or vendor;
- Refusing to sign a corrective discipline notice or any other requested acknowledgement form;
- The use of abusive language, including racial slurs and epithets;
- Sabotaging the work of a coworker;
- Dishonesty, falsification or misrepresentation on an employment application or other work records or Company documents, including requests for time off, timekeeping records or other information requested by or provided to the Company;
- Reporting for work, operating a vehicle, or working under the influence of alcohol, marijuana, illegal drugs, controlled substances, or non-prescribed prescription drugs while on Company business;
- Possession, use, sale, distribution, transfer, manufacture, or transportation of illegal drugs, controlled substances, non-prescribed prescription drugs, or alcoholic beverages on Company premises or while on duty;
- Possession of dangerous or unauthorized materials, such as explosives or firearms in the workplace;
- Leaving the premises or work location during scheduled work hours without permission;
- Illegal gambling while on duty;
- Sleeping on the job; and
- Theft of any kind.

The above list is illustrative only and is not intended to limit the Company's right to impose discipline in other appropriate situations.

1007 Corrective Discipline

Policy Statement - The Company's disciplinary policy and procedures are intended to promote employee understanding of acceptable conduct and performance and to encourage corrective action to meet those standards. The Company strives to impose corrective discipline fairly, consistently, and in relation to the seriousness of the offense.

Forms of Discipline - Disciplinary action may include a verbal warning, written warning, suspension with or without pay, termination of employment, or other disciplinary measures, depending on the circumstances and seriousness of the conduct. The Company does not guarantee that one type of discipline shall precede another. Further, the Company reserves the right to suspend an employee with or without pay while an investigation is conducted.

Payment During Disciplinary Suspensions - In accordance with state and federal employment regulations, an exempt employee may be suspended without pay in partial or full-day increments for safety rule infractions of major significance or in one or more full-day increments for violations of workplace conduct rules (e.g., violations of the Company's policies relating to sexual harassment, discrimination, violence, and substance testing). Unpaid suspensions for exempt employees for any other reason are generally in full-week increments. Paid suspensions for exempt and non-exempt employees may be in partial day or partial week increments.

Disciplinary Action - As a condition of employment, an employee will be required to sign the acknowledgment portion of the corrective discipline notice indicating that a discussion of the issue has taken place. An employee who refuses to sign the acknowledgement will have violated our company policy and will be subject to disciplinary action, up to and including termination.

1008 Ethics

Policy Statement - Our success is dependent upon how we conduct ourselves and do business with our customers, vendors, suppliers and other business partners. Star expects all employees to maintain the highest standards of professionalism and integrity in the performance of their job duties and while representing the Company. All work must be performed in an ethical manner and in accordance with government regulations and Company policy. An employee should never use the employee's position with the Company or relationship with customers for private gain.

Prohibited Conduct - An employee is expected to refrain from any illegal, unethical, and/or dishonest business activity. Examples of prohibited conduct include, but are not limited to:

- Directly or indirectly soliciting or accepting a bribe, kickback, loan, gift, service, entertainment, or preferential treatment from a current or prospective vendor, supplier, customer, or competitor for the employee's personal gain in return for being influenced in connection with Star business;
- Directly or indirectly giving a bribe, kickback, loan, gift, service, entertainment, or preferential treatment to a current or prospective vendor, supplier, customer, or competitor in return for influencing that individual or Company in connection with Star business;
- Having a direct or indirect financial interest or a personal business relationship with any business or person that does business with Star without disclosure to and approval of the Company; and
- Investing in the stocks, bonds, or securities of a vendor, supplier, customer, or competitor if such transactions are based on any "inside information."

Employee Guidance - Because the Company is unable to list every example of conduct that may violate this policy, an employee should use good judgment and seek guidance and assistance from the employee's supervisor, if needed.

Gifts - An employee who is offered a gift, money, service, travel, entertainment, or other special consideration from any current or prospective vendor, supplier, or customer must politely refuse the gift, advising the giver of Star policy that prohibits its acceptance. However, an employee may accept inexpensive marketing items of token value, such as calendars, pens, and magnets. Gifts may be solicited and accepted for the purpose of donation to the company's annual Christmas Party. Any gifts received should be sent to corporate and donated to this event.

1009 Conviction Notification

Policy Statement - An employee must, as a condition of employment, inform Star of all criminal convictions. An employee is responsible for notifying the Director of Human Resources within three days of receiving a misdemeanor or felony conviction.

Employment Decisions Based on Conviction - A criminal conviction does not necessarily disqualify an applicant from employment consideration or result in termination of a current employee. Employment decisions based on a conviction take into consideration many factors, including but not limited to, the extent to which the offense relates to the functions of the particular job, the seriousness of the offense, rehabilitation, length of time since the conviction, etc.

1100 COMPANY PREMISES AND WORK AREAS

1101 *Company Property*

Policy Statement - The purpose of Star's property policy is for the smooth and efficient operations of the Company.

Employee Responsibility - An employee is responsible for any items issued by the Company that are in the employee's possession and/or control. All equipment must be used appropriately, handled carefully, and maintained in good condition. In addition, all operating and maintenance instructions must be followed. Supplies should be used efficiently and not wasted in order to save money and resources.

Prohibited Uses of Company Property - An employee should not deliberately destroy, deface, or misuse Company property. The theft or unauthorized removal or possession of Company property is prohibited.

Damage to Company Property - An employee must immediately stop using any damaged, defective, or malfunctioning Company property and notify their Supervisor.

Personal Use of Company Property - An employee may not borrow or remove any of Star property from the premises for personal use.

Personal Use of Company Facilities - Employees and private individuals are prohibited from conducting any type of personal business, entertainment or non-business-related activity on Company premises.

Definition of Company Property - For the purpose of this policy, Star property includes, but is not limited to, equipment, tools, supplies, keys, computers, smartphones, uniforms, vehicles, and this Employee Handbook. This list is not all-inclusive.

1102 *Personal Belongings*

Policy Statement - The Company discourages an employee from bringing valuable, unnecessary, or inappropriate personal property to work, including work sites. Personal property that is brought onto Company premises must be appropriate for a business environment, should not be offensive to others, disrupt work, or pose a safety risk to other employees, customers, or visitors.

Personal Liability - Star is not liable for the personal belongings of employees and will not repair, replace, or reimburse an employee for any damage to, or loss of, an employee's personal property. It is the employee's responsibility to safeguard their personal possessions. This includes personal items in Company or personal vehicles.

Lockers - Lockers may be available for employees to place personal belongings. All locks must be provided by the Company. Lockers are subject to inspection at the Company's sole discretion.

Music – Wired or wireless music devices are allowed in work areas as long as the volume is kept low and the choice of music/entertainment is not offensive to coworkers or clients and does not interfere with the Company's operations. Earbuds of any kind are not permitted for those working in safety sensitive positions. Violation of this rule will result in an employee's forfeiture of this privilege.

Personal Work on Company Premises - This policy is set forth to clarify the company's position on the use of Star facilities and equipment for personal use.

Performing work of a personal nature on company property, in a company facility, or with company materials and equipment is strictly prohibited. Because of insurance requirements, safety factors and the possibility of conflict of interest, Star Truck will not tolerate personal enterprise within our business environment. Violators are subject to appropriate disciplinary action, up to and including discharge.

1103 Maintenance of Work Area

Policy Statement - Star is dedicated to providing a safe, clean, and pleasant work environment for employees, customers, and visitors. Work areas are to be kept clean and orderly. Equipment and supplies must be returned to their proper location after use. Coats and other personal items should be stored in designated locations.

Food and Beverages - Food and beverages are not allowed in employee work areas and should be consumed in the lunch room.

Housekeeping - It is the responsibility of employees to keep the lunch room and its refrigerator, conference rooms, meeting rooms, restrooms and the entire premises clean at all times. Please put items in their proper location after each use, dispose of garbage in the appropriate trash cans, and wash and put away dishes. Office paper, cardboard, newspapers, and other items that can be recycled should be placed in the designated containers.

1104 Tool Allowance

An annual tool allowance shall be granted to certain employees equal to five percent (5%) of the replacement cost of tools of equal quality, which are available and used by an employee on the job. Each employee shall on his own time and without cost to the company maintain an inventory and an appraisal of current value of his/her tools.

The allowance will be paid in quarterly installments to employees with the company at the time of payment. The company shall have the right to inventory and appraise an employee's tools at any time and to establish minimum tool requirements for various classifications. Maximum tool box size is 16 square feet "footprint."

To be covered by this policy, tools must be necessary for the job. The company and each covered employee will agree on a value of the employee's covered tools. Thereafter, the 5% reimbursement will be based on this amount; provided, however, that when the employee replaces a tool, he shall submit documentation of cost to the company, and the employee's tool inventory value will be adjusted by deduction of the cost of the old tool, and addition of the cost of the new tool. New tools will be added (not replaced); the cost will be added to the inventory. Inventory credit will be capped at \$4,500 for toolboxes. Drill bits of 1/2" or under will be supplied by the employee but replaced (with like kind, brand/supplier by mutual agreement) if broken or worn out on the job (not lost) if the bit is turned in. The company will repair or replace air tools broken or worn out on the job, up to \$75 per repair or replacement. Your eligibility of tool allowance payments will be made at the end of each calendar quarter, and will include all charges for which cost documentation on company form was received during the quarter preceding that in which such payment is made.

New employees will begin receiving reimbursement or other tool allowance benefits at the end of the first quarter that begins after the employee has 12 months' seniority, provided the employee properly submits his inventory and cost documentation within 6 months after his hire date. If the inventory and cost documentation is submitted after the 6 months period, reimbursement will begin with the quarter beginning 12 months after the employee submits such documentation.

- (a) **Tool Insurance.** The company shall provide reimbursement as provided below, subject to the limitations herein provided, (and in substitution for all other legal obligations) with respect to loss of hand tools as the result of theft or fire or national disaster.

Reimbursement shall be through a tool insurance policy providing for a single owner limit of \$20,000 and an aggregate limit of \$937,000 with a \$2500 deductible.

Reimbursement will only be provided when:

- (i) The loss occurs on company premises or in a company vehicle used for carrying out company business away from company premises; and
 - (ii) The claimed theft is substantiated by proof of forcible breaking and entering of company premises or into a locked company vehicle or other proof satisfactory to the company that the loss was due to theft including persons employed by the company where proof of such theft by an employee of the company is substantiated.
- (b) The amounts of reimbursement will be the inventory value of the tools as indicated on the employee's signed list of tools provided to the company (up to the applicable maximum amount under section (a) above), less a Five Hundred Dollar (\$500) deductible amount.

If the company chooses to reimburse employees for the loss described above by replacing such tools, the company shall replace the tools with the same make or name brand as the tools that were stolen or destroyed by the fire (or equal quality).

1105 Parking

Designated Parking - Employee parking is available in designated areas. Employees should not park in designated handicapped, customer, reserved, or visitor parking areas. When off-site, employees must follow the parking guidelines established by the customer.

Damage to Vehicles - Star is not responsible for the security of, or damage to, employees' vehicles or their contents while parked on the premises or while on Company business. The employee's Supervisor and/or Human Resources must be notified immediately of any accident, theft, or damage to a vehicle that occurs while on Company premises, regardless of the severity, so that the proper authorities may be notified.

1106 Smoke-Free Workplace

Policy Statement – For the health and safety of our employees, the Company maintains a smoke-free work environment. This policy covers the use of all tobacco and tobacco-like products, including but not limited to, cigarettes, electronic cigarettes, cigars, pipes, herbal tobacco products, chewing tobacco, the use of smokeless or “spit” tobacco, and vaping, and applies to both employees and non-employee visitors. The smoking and chewing of these products are prohibited throughout the entire workplace, including in Company vehicles.

Smoking Breaks - Employees are allowed to smoke outside in designated smoking areas during authorized meal and break periods. An employee is not allowed additional or special breaks for smoking purposes.

Maintenance of Smoking Locations - Smoking areas should be kept litter-free. Cigarettes and matches should be completely extinguished after use and placed in the appropriate receptacle.

Policy Violations - Violations of this policy will result in disciplinary action up to, and including termination.

1107 **Charitable Solicitation and Distribution**

Policy Statement - The Company is supportive of charitable causes in the community and recognizes the right of all employees to engage in solicitation and distribution activities during appropriate times. However, such activities must not interfere with the operation of our business. Accordingly, Star has established rules, applicable to all employees, to govern solicitation and distribution of written material during working time and entry onto the premises and work areas. All employees are expected to comply with these rules.

1. No employee shall solicit or promote support for any cause or organization during his or her working time or during the working time of the employee(s) at whom the activity is directed; and
2. No employee shall distribute or circulate any written or printed material in work areas at any time, during his or her working time, or during the working time of the employee or employees at whom the activity is directed.

Working Time - As used in this policy, "working time" includes all time for which an employee is paid and/or is scheduled to be performing services for the Company; it does not include break periods, meal periods, or periods in which an employee is not, and is not scheduled to be, performing services or work for the Company.

Non-Employees - Under no circumstances will non-employees be permitted to solicit Star employees or to distribute written material for any purpose on Company property.

Employee Collections - Occasional collections for coworker gifts, activities, or parties that are not sponsored by the Company are normally allowed with prior approval from an employee's supervisor.

Voluntary Participation - All charitable solicitations are completely voluntary; employees are not required to participate in any charitable solicitation or function asked of them by the Company or a coworker. Employees should be respectful of coworkers who choose not to participate in a charitable solicitation.

1200 SAFETY AND SECURITY

1201 Safety Program

Policy Statement - Star is committed to providing a safe and healthy workplace for employees, customers, and visitors. The objective of the Company's safety program is to reduce the number of workplace injuries and illnesses to zero. Accidents can often be prevented through the use of reasonable precautions and the practice of safe working habits.

Safety Officer - The Director of Safety has been designated as the Company's Safety Officer.

Safety Program - The Company has developed a written safety program to address the health and safety of employees who work on Company premises. All covered employees receive a separate copy of the safety program.

PPE – The Company requires certain Personal Protective Equipment (PPE) be worn when performing safety sensitive work. The Company provides this equipment and instructs employees on its importance. Additional information regarding PPE for an employee's specific role is available in the Safety Manual.

Employee Suggestions - Some of the best safety improvements come from employees. Employees with ideas, concerns, or suggestions for improved safety in the workplace are encouraged to contact their supervisor or the Safety Officer.

Safety Hazards - Any suspected safety hazard must be brought to the attention of a supervisor or the Safety Officer immediately. Examples of potential safety hazards include, but are not limited to, damaged or broken machinery or equipment, slippery floors, torn carpet, cords in aisles, and boxes located in walkways or blocking exit doors. Reports about workplace safety issues may be made anonymously. An employee will not be retaliated against for reporting accidents, injuries, or illnesses, filing a safety-related complaint, or requesting to see injury and illness logs.

Investigations - The Safety Officer conducts an investigation of all job-related injuries, illnesses, and near misses to determine the cause and attempt to prevent a recurrence.

1202 Accidents and Injuries

Accident Procedures - In the event of a workplace accident or injury, take the following steps:

1. Stop work;
2. Eliminate or isolate the immediate cause of the accident to prevent further injury;
3. Obtain aid for the injured person and summon assistance. If the injury appears serious, dial 9-1-1;
4. Call a supervisor immediately;
5. Take appropriate steps to prevent any additional accidents; and
6. Complete an *Accident Report* with full details of the accident and submit it to the Director of Safety before the end of the current workday, or by email to: accidentsandinjuries@starlease.com. When there is an accident involving a non-employee, notify the Director of Safety and Human Resources immediately, no matter how minor the accident or injury may appear and even if no one was hurt.

First Aid Kits - First aid kits are located in designated locations throughout the building.

1203 **Building Evacuation**

Evacuation Procedures - An employee should be familiar with all exits in the building. In the event of a fire or other emergency that requires the building to be evacuated, the following procedures must be followed:

1. Leave the building by walking rapidly but calmly to the nearest exit door (do not run or push), assisting others along the way;
2. Immediately notify a supervisor or other designated person if anyone is having trouble leaving the building;
3. Do *not* take time to gather any Company property or personal belongings;
4. See posted evacuation plan for the location of the gathering place, which is to be located at a safe distance from the building; and
5. Do not re-enter the building until a supervisor or other designated person gives authorization to do so.

Supervisors are responsible for the orderly exit of all employees within their department. Each supervisor should be the last one out of the department and should make sure that all doors are closed. Once outside, the supervisor should account for all department employees.

Fire Extinguishers - Fire extinguishers are located throughout the building. Employees should be familiar with the location and operation of fire extinguishers. A fire extinguisher should only be used by an individual who has received training in its use and only if the fire is containable (e.g., wastepaper basket, garbage bin). In the event of a containable fire, a coworker should be instructed to dial 9-1-1 simultaneously. Leave the building immediately if the fire does not go out; never attempt to use a second extinguisher or take other measures to try and contain the fire.

1204 **OSHA/MiOSHA**

Policy Statement - The Company makes every effort to provide a workplace which is free from recognized hazards that could cause physical harm to employees. In order to help the Company maintain a safe workplace, employees are expected to abide by all OSHA/MiOSHA rules and regulations. The OSHA/MiOSHA standards that pertain to our industry are addressed in the Company's safety program. All covered employees receive a separate copy of the safety program.

Hazard Communication - Star has implemented a written hazard communication program to address the safe use of chemicals in the workplace. All covered employees receive a copy of this program.

OSHA/MiOSHA Inspection - The Director of Safety and Human Resources are to be notified immediately if an OSHA/MiOSHA inspector arrives.

1205 **Building Security**

Safety Precautions - In order to ensure employee safety, prevent theft, and reduce accidents, an employee who enters or remains in the building before or after normal business hours must exercise reasonable care for the employee's protection.

In addition, there should always be a minimum of two employees on the premises. All exterior doors must be locked and no unauthorized persons should be allowed to enter the building.

Possession of Property - Because of growth, hours of operation, insurance costs, possible theft, loss or damage, etc., it has become necessary to implement some controls over items being removed/returned from/to company premises.

- Before any item is removed from company premises (i.e. tool box, tools, equipment, etc.), you must obtain permission from the supervisor on duty.
- If you purchase parts through Star, before the parts are removed from Star's premises, you must pay for them and have a paid receipt in your possession or have made an approved payment arrangement for the purchase.
- If a supervisor is not on duty, it is your responsibility to contact a member of management before removing items from company premises.
- If the item you remove is Star property, you must first secure permission and let the supervisor or manager know when you will return the item.

Video Recording - Video surveillance equipment is used for safety and security purposes. The Company prohibits video recording in bathrooms, locker rooms, or other rooms designated for employees to dress or in which employees would have a reasonable expectation of privacy.

Security System – If and when the building is equipped with a security system. Employees who are authorized to enter or remain in the building before or after normal business hours are, if authorized, given the security code or key. The last person to leave the building at the end of the workday is responsible for turning the security system on.

1206 Visitors

Normal Business Hours - Visitors should enter the building through the main entrance and report to the Receptionist. Vendors and suppliers may be asked to sign in/out on the visitor log and be accompanied by an employee at all times while on Company premises.

Non-Business Hours - For safety and security reasons, visitors are prohibited from being on Company premises before or after normal business hours.

Definition of Visitor - For the purpose of this policy, a visitor is defined as a customer, vendor, supplier, friend or family member of an employee, or any other non-employee.

Personal Visitors - An employee is allowed to have personal visitors on Company premises for brief visits during authorized meal and break periods as long as such visits do not interfere with operations or interrupt other employees who are still working.

1207 Restricted Areas

Restricted Areas - Due to safety and security reasons, an employee is prohibited from entering service areas unless assigned to work in this area.

Restricted Areas During Non-Working Time - An off-duty employee is prohibited from entering work areas until the employee's next scheduled work shift. The only exception is an employee who is a customer of the Company.

1208 *Workplace Violence*

Policy Statement - Star considers the safety of its employees, or any individual on Company property to be of paramount importance. The Company has zero tolerance for any type of workplace violence committed by, or against, an employee. This includes, but is not limited to, threatening, intimidating, or inferring violence against any person or property associated with the Company.

Notification of Threatening Behavior - An employee who is a victim of, witness to, or becomes aware of any potentially dangerous situation; including but not limited to: hostile or aggressive behavior, bullying, or threats or acts of violence, must inform his or her supervisor or another member of management immediately. Any suspicious individuals or activity must also be reported.

Retaliation - An employee will not be subject to retaliation or any adverse employment action that could affect the employee's job security or potential advancement because of bringing a complaint or concern to management's attention. An employee who believes that he or she has been retaliated against for filing a complaint should contact Human Resources immediately.

Investigations - Star treats any threat of violence seriously, and will take immediate appropriate action, including an investigation of the matter and the involvement of the police department.

Prohibited Conduct - The following conduct is prohibited at all times while on Company property or at any location while representing the Company:

- Fighting, provoking a fight, or threatening violence;
- Horseplay;
- Hostile behavior that creates a reasonable fear of harm to others or property; and
- Intentionally damaging Company or coworker property.

Firearms and Weapons - An employee is prohibited from possessing firearms, weapons, or explosives of any kind while on Company premises, in Company or personal vehicles while conducting business for Star, at work sites, Company function, customer locations, or any other location during working time or while representing the Company, regardless of whether the employee is licensed to carry the weapon.

Policy Violations - Violations of this policy will result in disciplinary action, up to and including termination and/or legal action.

1209 *Security Inspections*

Policy Statement - Star reserves the right to inspect all Company and personal property brought onto Company premises or work sites at any time with or without notice if there is suspicion of theft, illegal activity, or similar behavior that may violate Company policy or government regulation. This includes, but is not limited to, Company and personal vehicles, packages, briefcases, purses, desks, work areas, computers, USB drives, files, e-mails, phones, voice mails, lockers, and file cabinets, even if locked. The inspection will normally be conducted in the presence of the employee. Employees have no right to privacy with respect to Company property or personal property brought onto Company premises.

Policy Violations - An employee who refuses to allow management to inspect the employee's Company or personal property may be subject to disciplinary action, up to and including termination. In addition, an employee who steals from the Company will be subject to disciplinary action, up to and including termination and legal action.

1300 COMMUNICATION POLICIES

1301 *Employee Questions and Concerns*

Policy Statement - Our Company has an open-door policy, by which employees are encouraged to report work-related concerns. It is Star's intent to be responsive to employees' questions and concerns.

Complaint Procedure - An employee is required to bring any concerns to the attention of the employee's supervisor. Normally, employee issues can be resolved through conversations with the employee's supervisor. In the event that the supervisor does not resolve the issue to the employee's satisfaction or the concern involves the supervisor, the employee may contact the Director of Maintenance, their Regional Manager, or Human Resources. Human Resources will investigate the situation and provide a timely response to the employee.

Complaint Procedure for Compliance Policies - If an employee's complaint involves one of the Company's compliance policies relating to harassment, sexual harassment, and/or discrimination, the employee must follow the complaint procedure outlined in *Complaint Procedure and Investigations*.

Retaliation - An employee will not be subject to retaliation or any adverse employment action that could affect the employee's job security or potential advancement because of bringing any work-related questions, concerns, or complaints to management's attention. An employee who believes that he or she has been retaliated against for filing a complaint should contact Human Resources immediately.

1302 *Employee Communications*

Policy Statement - Company and job-related information is communicated to employees via a variety of communication channels, including memos, Company e-mails, voice mail, Company intranet, payroll attachments, staff meetings, and bulletin board postings.

Staff Meetings - Mandatory staff meetings are held periodically to update employees on Company and department matters.

Bulletin Board - A bulletin board is located at each branch for the posting of Company announcements and information of general interest. An employee should review the bulletin board on a regular basis to stay up-to-date regarding Company news.

An employee is prohibited from defacing or removing any items posted on Company bulletin boards.

All work-related materials to be posted on the bulletin board must be approved in advance by the Director of Human Resources. An employee must receive prior approval from Human Resources to post personal messages (e.g., for sale signs, garage sale notices) on the bulletin board.

1303 *Use of Communications Systems*

Policy Statement - Star communication systems and equipment are an integral part of the Company's business, and are provided to employees to aid them in the performance of their job duties and to promote efficient operations.

Definition of Communications Systems and Equipment - For the purpose of this Employee Handbook, the Company's communications systems and equipment include, but are not limited to, telephones, voice mail system, pagers, wireless devices (e.g., cell phones, smart phones, tablets, and mobile hotspots), photocopiers, fax machines, incoming/outgoing mail, video and audio taping devices, and computer systems (e.g., networks, laptops, iPads, hardware, software, Internet, intranet, e-mail, instant messaging, text messaging, and computer files). It also includes Star web site, corporate blog, and Company-sponsored and maintained social media sites.

Company Property - All Company communications systems and equipment are the sole property of Star. This includes all information and documents created, transmitted, received, stored, and downloaded on such systems and equipment. Star expects all employees to use reasonable care when using company-provided electronic communication equipment, such as not eating food or drinking beverages near equipment to avoid damaging equipment.

Passwords - For security purposes, some of Star communications systems require a password. Default passwords are issued to employees by the IT Department. An employee may not use a password that has not been issued to the employee or that is unknown to the Company. Passwords are confidential and should not be disclosed to anyone other than the employee's supervisor or the IT Department. If it is suspected that a password has become known to others, the IT Department must be notified.

Prohibited Uses - The following uses of Star communications systems and equipment are prohibited. This list is meant to be illustrative and not exhaustive:

- Engaging in any illegal activity that violates copyright or other United States regulations, including the copying or distributing of copyrighted materials without the express permission of the author;
- Transmitting confidential, proprietary, or trade secret information;
- Engaging in any form of slander or defamation;
- Using verbal or written obscenities, vulgarities, or threats;
- Making verbal or written remarks that are discriminatory, obscene, demeaning, intimidating, insulting, or harassing;
- Distributing chain letters;
- Displaying, writing, transferring, e-mailing, sending, or storing obscene or sexually suggestive messages or graphic images;
- Accessing, or attempting to access, the computer files or e-mail, text, instant, or voicemail messages of a coworker without appropriate authorization from the coworker or a supervisor;
- Reading, copying, modifying, or deleting a coworker's computer files or e-mail, text, instant or voicemail messages without authorization from the coworker or a supervisor;
- Using or aiding in the unauthorized use of another person's password, account or identity;
- Soliciting or proselytizing for commercial ventures, other employers, religious or political causes during working time;
- Transmitting messages under an assumed name or attempting to obscure the origin of any message;
- Attempting to remove or modify computer network equipment or software without proper authorization;
- Downloading or using non-business and entertainment software, such as games, puzzles, wallpaper, screen savers, and videos on Company computers or wireless devices;
- Harming or destroying software, data, files, or messages (other than editing or deleting information in the normal course of job duties); and
- Intentionally tampering with, obstructing, or impairing the availability of any computer system, anti-virus software, network, or security feature, or circumventing any system intended to protect the privacy or security of another user.

Company's Right to Monitor Communications Systems and Equipment - There is no guarantee of privacy when using Company-issued wireless devices and company-owned computers, email, or Internet. To the extent allowed by regulation, the Company reserves the right to access, search, and monitor the Company's communications equipment and files at any time in the normal course of business. This applies to all information, messages, and files that an employee creates, transmits, downloads, receives, views, stores, or deletes on such systems, including items that are password protected. The Company has the ability to monitor sites visited by an employee on the Internet, chat rooms, newsgroups, all voice mail messages, telephone calls and every e-mail message and file transfer into and out of the Company's network as well as any information created or discussed on social media sites, blogs, or personal web sites. An employee's use of the Company's communications systems and equipment constitutes consent to the Company accessing, intercepting, monitoring, and disclosing any matter stored in, created, received or sent over those systems and equipment.

Use of Audio and Video Recording Devices - Due to confidentiality and personal privacy concerns, the use of cameras, wireless devices, tape recorders, and other audio and video recording devices are prohibited in restrooms, restricted access areas, or in any other location where personal privacy is expected.

An employee may not photograph, audiotape, or videotape any Company meeting or activity, property, coworker, customer, or anyone affiliated with the Company during working time. Advance authorization from any individual(s) being photographed or taped is required.

1304 Computers and the Internet

Policy Statement - An employee's improper use of company-provided Internet services can waste time and resources and create legal liability and embarrassment for both Star and the employee.

Computer Hardware and Software - All computer software must be licensed and registered to the Company. No unauthorized or unlicensed hardware or software may be used or installed on any Company-owned computer, laptop, or wireless device. An employee may not reproduce, transfer, download, modify, or share licensed or non-licensed software with any coworker, business, customer, or for the employee's personal use.

User IDs and Passwords - An employee is responsible for all computer transactions made with the employee's user ID and password. When leaving a workstation for an extended period of time, an employee should log off of the computer, but leave the computer on. IDs and passwords may not be shared with anyone except an employee's supervisor or the IT Department.

Virus Detection - Files obtained from sources outside of the Company, including disks brought from home; files downloaded from the Internet, newsgroups, bulletin boards, or other online services; e-mail attachments; and files provided by customers or vendors may contain dangerous computer viruses that may damage the Company's computer network. An employee may not download files from the Internet, accept e-mail attachments from outsiders, or use disks from non-Company sources, without first scanning the material with anti-virus software. The IT Department must be contacted immediately if an employee receives a suspicious e-mail attachment or believes there is a virus on the employee's computer or laptop.

Professional Messages - All business e-mail, text, and instant messages should be written in a professional manner.

Personal Use - The Company's computers, laptops, tablets, cellphones, and the Internet are generally reserved for business purposes. However, personal use is allowed during non-working time (e.g., authorized meal and break periods) so long as it does not cause harm, violate any Company policies, disrupt operations, or interfere with productivity. Prior supervisory approval is therefore required before using the Company's computers, laptops, tablets, cellphones, or the Internet for personal use.

Inappropriate Web Sites and Computer Files - Sending, saving, or viewing inappropriate material is prohibited. An employee may not log on to any inappropriate or sexually explicit web sites. The Company will delete any inappropriate files or material on Company-owned computers without notification to the employee.

Social Media - For the purpose of this Employee Handbook, the term “social media” refers to any Internet-based media that facilitate activities such as professional or social networking, posting comments or opinions, and sharing photos, audio, video, or other content. Examples include, but are not limited to: Facebook, YouTube, LinkedIn, MySpace, Twitter, Instagram, personal websites, blogs, podcasts, chat rooms, RSS feeds, and Wikis.

Guidelines

- All Star policies, including the Company’s discrimination, sexual/anti-harassment, equal employment opportunity (EEO), anti-bullying, ethics, and confidentiality policies, apply to the use of social media.
- An employee is prohibited from disclosing any trade secrets, products, processes, proprietary information, strategic business plans, or any similar confidential information about the Company or its customers via social media. Respect copyright, trademark, fair use and financial disclosure laws.
- An employee may not post any information or engage in any online activity that violates applicable local, state or federal laws, or professional rules of conduct.
- If an employee indicates on any social media that he or she is a Star employee, he or she must clearly state that the views expressed are solely the personal views of the employee and that they do not represent those of the Company, customers or suppliers. This applies to posts, blogs, and videos occurring on any computer during both working and non-working time.
- An employee may not use Star email addresses to register on social networks, blogs or other online tools utilized for personal use. In addition, an employee may not infringe on the Company’s logos, brand names, taglines, slogans or other trademarks.

Using Social Media at Work - An employee must receive prior authorization to develop, post to, or maintain a corporate blog or use social networking sites to conduct Star business. An employee who has received such authorization may post or blog during working time for business purposes only. Engaging in social networking at work for personal use during work time is prohibited.

Using Social Media During Non-Working Time - Star respects an employee’s right to self-expression, especially when using social media during non-working time. However, because customers and the public may have access to employees’ posts and videos, employees are expected to use good judgment and to use social media in a responsible manner that does not violate Star policies. An employee should not make knowingly false statements about the Company, its customers, vendors, or competitors.

Non-Retaliation - The Company expects an employee to report possible deviations from this policy and to assist us in any investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

Policy Violations - Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated. Employees are solely responsible for what they post online. Keep in mind that any conduct that adversely affects job performance, the performance of coworkers, violates Company policies, or otherwise adversely affects members, customers or suppliers may result in disciplinary action up to and including termination.

1306 Telephone/Wireless Device Usage

Policy Statement - Because personal telephone calls can negatively affect productivity and distract coworkers, employees are asked to limit personal phone calls during working time unless it is an emergency. This includes the use of both Company issued phones, wireless devices and employees' personal cell phones. Long distance, personal calls may not result in charges to the Company. Wireless devices include, but are not limited to, cell phones, smart phones, tablets, laptops, and mobile hotspots.

Company Provided Cell Phones - The Company provides wireless devices to employees as appropriate to their duties and responsibilities. Wireless devices are for Company and business use only except for minor incidental or emergency personal use. Personal calls during working hours must be kept to a minimum and must not interfere with the employee's performance of his or her work. Employees in possession of a Company issued wireless device are expected to protect the equipment from loss, damage or theft. Upon resignation or termination of employment, or at any time upon request, the employee is to produce the device for return and/or inspection. Cell phone usage will be monitored and misuse may result in disciplinary action, up to and including termination.

Personal Wireless Devices - Employees are asked to limit personal phone calls during working time. This includes sending, receiving or viewing text messages and downloading of web content.

Excessive Use - If an employee's personal calls become excessive, affect the employee's job performance, and/or distract coworkers, the privilege of making personal phone calls during working time may be revoked.

Handheld Electronic Devices - Most of today's handheld electronic devices make it easy to bring entertainment to the workplace. However, due to safety, productivity and efficiency reasons, video games are limited to break and meal periods.

1307 Mail

Personal Mail - An employee may place personal letters with the Company's outgoing mail as long as the employee's own postage is used.

Personal mail, including magazines and packages, should not be delivered to the workplace. The Company reserves the right to review all incoming mail, including mail addressed to individual employees.

1308 Employee Suggestions

Policy Statement - Star values the suggestions and ideas of employees. An employee is strongly encouraged to inform the employee's supervisor of any suggestions that may be valuable to the Company's productivity and success. All suggestions are carefully reviewed and implemented, if feasible.

1309 Public and Media Relations

Public Relations - Members of the public should be assisted promptly and treated courteously and professionally at all times. Positive public relations can greatly enhance goodwill, while a negative experience can easily destroy a valuable relationship.

An employee should treat all complaints from customers, vendors, suppliers, or members of the public seriously and professionally. If you are unable to resolve the person's concern to his or her satisfaction or if the person becomes unreasonable or harassing, immediately notify their supervisor or the Director of Maintenance.

Media Relations - Events may occur that will draw immediate attention from the news media. It is imperative that one person speaks for the Company to deliver an appropriate message and to avoid giving misinformation in any media inquiry. Accordingly, all requests for information from the media (e.g., television, radio, and newspaper) regarding any aspect of Star must be referred to the President. Likewise, any official press releases or publications released to the media must be approved by the President.

STAR
EMPLOYEE HANDBOOK ACKNOWLEDGMENT

I hereby acknowledge that I have received a copy of (or online access to) Star Employee Handbook, which includes an overview of the policies, procedures, rules, and benefits of the Company.

I further acknowledge that I have read or will read the contents of the Employee Handbook and I agree to abide by the policies contained therein. I understand that any violation of the policies in this handbook could result in discipline, up to and including termination. I am aware that if I have any questions regarding the contents of the Employee Handbook I should contact their supervisor or Human Resources.

I understand that Star reserves the right to interpret, add, modify, or revoke any provision in the Employee Handbook with or without cause or notice. I also understand that the employee benefits, policies, procedures, and rules in this Employee Handbook will remain in effect until notified otherwise by the Company. I agree to retain my copy of the Employee Handbook for future reference and to update it with any policy additions or revisions that the Company issues.

I am aware that any Star property in my possession must be returned to the Company upon my separation from employment or when requested by the Company.

I understand that I may be subject to reasonable suspicion substance testing as outlined in the Substance-Free Workplace Policy. I am aware that my refusal to consent to such a test or to test positive for alcohol or illegal drugs is a policy violation which will result in disciplinary action, up to and including termination.

Employment at Star is employment-at-will. Accordingly, this Employee Handbook is not intended to be a contract of employment, a warranty of benefits, or a limitation on the Company's ability to terminate employees. No one other than the President has the authority to enter into an agreement with an employee for a specified length of time or to alter or change the policies outlined in this Employee Handbook.

Refusal to sign this Employee Handbook acknowledgement may result in disciplinary action, up to and including termination.

Employee Name (Please Print)

Employee Signature

Date of Signature

Signature of Manager or Supervisor

Date of Signature