



Employee Manual

8/19/2006

Hoffman Manufacturing Corp
5002 Blazing Star Dr
Madison, WI 53718
608-222-8787 phone
608-222-8783 fax
www.hoffmanmc.com

Welcome to Hoffman Manufacturing

Thank you for joining Hoffman Manufacturing! We hope you agree that you have a great contribution to make to the store fixture industry by way of Hoffman Manufacturing, and that you will find your employment at Hoffman Manufacturing a rewarding experience. We look forward to the opportunity of working together to create a more successful company. We also want you to feel that your employment with Hoffman Manufacturing Corp will be a mutually beneficial and gratifying one.

You have joined an organization that has established an outstanding reputation for quality. Credit for this goes to everyone in the organization. We hope you, too, will find satisfaction and take pride in your work here. As a member of Hoffman Manufacturing's team, you will be expected to contribute your talents and energies to further improve the environment and quality of the company.

This Employee Manual may provide answers to most of the questions you may have about Hoffman Manufacturing's benefit programs, as well as company policies and procedures. You are responsible for reading and understanding this Employee Manual. If anything is unclear, please discuss the matter with Geoff Hoffman.

I extend to you my personal best wishes for your success and happiness at Hoffman Manufacturing.

Sincerely,

Geoffrey B Hoffman, President
Hoffman Manufacturing Corp

Notice

This Employee Manual has been prepared to inform you of Hoffman Manufacturing's history, philosophy, employment practices, and policies, as well as the benefits provided to you as a valued employee.

Some Things You Must Understand

The policies in this Employee Manual are to be considered as guidelines.

- Hoffman Manufacturing, at its option, may change, delete, suspend or discontinue any part or parts of the policies in this Employee Manual at any time without prior notice as business, employment legislation, and economic conditions dictate.
- Any such action shall apply to existing as well as to future employees.
- Employees may not accrue eligibility for monetary benefits that they have not become eligible for through actual time spent at work.
- Employees shall not accrue eligibility for any benefits, rights, or privileges beyond the last day worked.
- No one other than Geoffrey Hoffman of Hoffman Manufacturing may alter or modify any of the policies in this Employee Manual. Any alteration or modification of the policies in this Employee Manual must be in writing.
- No statement or promise by a supervisor, manager, or department head, past or present, may be interpreted as a change in policy nor will it constitute an agreement with an employee.

Should any provision in this Employee Manual be found to be unenforceable and invalid, such finding does not invalidate the entire Employee Manual, but only that particular provision.

This Employee Manual replaces (supersedes) any and all other or previous Hoffman Manufacturing Employee Manuals, or other Hoffman Manufacturing policies whether written or oral.

Receipt and Acknowledgment of Hoffman Manufacturing Employee Manual

Please read the following statements, sign below and return to Geoffrey Hoffman.

Understanding and Acknowledging Receipt of Hoffman Manufacturing Employee Manual

I have received and read a copy of the Hoffman Manufacturing Employee Manual. I understand that the policies and benefits described in it are subject to change at the sole discretion of Hoffman Manufacturing at any time.

At-Will Employment

I further understand that my employment is at will, and neither myself nor Hoffman Manufacturing has entered into a contract regarding the duration of my employment. I am free to terminate my employment with Hoffman Manufacturing at any time, with or without reason. Likewise, Hoffman Manufacturing has the right to terminate my employment, or otherwise discipline, transfer, or demote me at any time, with or without reason, at the discretion of Hoffman Manufacturing. No employee of Hoffman Manufacturing can enter into an employment contract for a specified period of time, or make any agreement contrary to this policy without the written approval from Geoffrey Hoffman.

Arbitration

I also acknowledge I have read and understand the Arbitration Policy contained in this Employee Manual and I agree to abide by the policy.

Confidential Information

I am aware that during the course of my employment confidential information will be made available to me, for instance, product designs, marketing strategies, customer lists, pricing policies and other related information. I understand that this information is proprietary and critical to the success of Hoffman Manufacturing and must not be given out or used outside of Hoffman Manufacturing's premises or with non-Hoffman Manufacturing employees. In the event of termination of employment, whether voluntary or involuntary, I hereby agree not to utilize or exploit this information with any other individual or company.

Employee's Printed Name

Position

Employee's Signature

Date

AN OVERVIEW OF HOFFMAN MANUFACTURING.....	9
ABOUT HOFFMAN MANUFACTURING.....	9
<i>Concept</i>	9
HOFFMAN MANUFACTURING ORGANIZATION CHART	9
WHAT YOU CAN EXPECT FROM HOFFMAN MANUFACTURING	10
WHAT HOFFMAN MANUFACTURING EXPECTS FROM YOU	11
OPEN COMMUNICATION POLICY	11
OUTSIDE EMPLOYMENT	11
SUGGESTIONS	12
EMPLOYMENT	13
AT-WILL EMPLOYMENT	13
ARBITRATION POLICY.....	13
TERMINATION OF YOUR EMPLOYMENT	14
ACKNOWLEDGMENT OF AND AGREEMENT WITH HOFFMAN MANUFACTURING ARBITRATION POLICY	15
CONFIDENTIAL INFORMATION.....	16
CUSTOMER RELATIONS	16
EQUAL EMPLOYMENT OPPORTUNITY.....	16
HARASSMENT POLICY.....	17
<i>What Is Harassment?</i>	17
<i>Responsibility</i>	18
<i>Reporting</i>	18
<i>Policy Statement on Sexual Harassment</i>	18
STANDARDS OF CONDUCT	19
<i>Unacceptable Activities</i>	19
<i>Disciplinary Actions</i>	21
<i>Crisis Suspension</i>	23
INTRODUCTORY PERIOD.....	23
ANNIVERSARY DATE	24
IMMIGRATION LAW COMPLIANCE.....	24
NEW EMPLOYEE ORIENTATION.....	24
WORK SCHEDULE	24
<i>Business Hours</i>	24
<i>Attendance</i>	25
<i>Absence or Lateness</i>	25
<i>Meal and Break Periods</i>	25
<i>Meal Room Facility</i>	26
<i>Severe Weather and Emergency Conditions</i>	26
EMPLOYMENT CLASSIFICATIONS.....	26
<i>Full-Time Employees</i>	26
<i>Part-Time Employees</i>	27
<i>Regular Employees</i>	27
<i>Temporary Employees</i>	27
PERSONNEL RECORDS AND ADMINISTRATION	27
<i>Your Personnel File</i>	27
<i>Your Medical Records File</i>	28
COMPENSATION	29

WAGE AND SALARY POLICIES	29
<i>Compensation Philosophy</i>	29
<i>Basis for Determining Pay</i>	29
<i>Pay Period and Hours</i>	29
<i>Pay Cycle</i>	29
<i>Paycheck Distribution</i>	30
<i>Computing Pay</i>	30
<i>Mandatory Deductions from Paycheck</i>	30
<i>Direct Payroll Deposit</i>	30
<i>Error in Pay</i>	30
<i>Overtime Pay</i>	30
<i>Work Performed on Company Holidays</i>	31
<i>Compensatory Time Off</i>	31
<i>Shift Premium</i>	31
<i>Time Records</i>	31
<i>Wage Garnishments</i>	31
PERFORMANCE AND COMPENSATION REVIEWS	32
<i>Performance Reviews</i>	32
<i>Compensation Reviews</i>	32
BENEFITS	34
ELIGIBILITY FOR BENEFITS	34
INSURANCE COVERAGE	34
<i>Group Insurance</i>	34
<i>Health Insurance</i>	35
GOVERNMENT REQUIRED COVERAGE	35
<i>Workers' Compensation</i>	35
<i>Unemployment Compensation</i>	36
<i>Social Security</i>	36
IRA PLAN	36
LEAVES	37
PAID LEAVES	37
<i>Holidays</i>	37
<i>Paid Time Off</i>	38
UNPAID LEAVES	39
<i>Family / Medical Leave of Absence</i>	39
<i>Disability (Including Pregnancy) Leave of Absence</i>	41
<i>Military Leave of Absence</i>	42
<i>Military Reserves or National Guard Leave of Absence</i>	42
<i>Personal Leave of Absence</i>	43
ACCEPTING OTHER EMPLOYMENT OR GOING INTO BUSINESS WHILE ON LEAVE OF ABSENCE	43
INSURANCE PREMIUM PAYMENT DURING LEAVES OF ABSENCE	43
SAFETY	44
GENERAL EMPLOYEE SAFETY	44
REPORTING SAFETY ISSUES	44
ENTERING AND LEAVING THE PREMISES	44
SECURITY CHECKS	45
PARKING LOT	45
SAFETY RULES	45
<i>Working Safely</i>	45
<i>Lifting</i>	45

<i>Materials Handling</i>	45
<i>Trash Disposal</i>	46
<i>Cleaning Up</i>	46
<i>Preventing Falls</i>	46
<i>Handling Tools</i>	46
<i>Falling Objects</i>	46
<i>Work Areas</i>	46
<i>Using Ladders</i>	46
<i>Machine Guards</i>	46
<i>Personal Protective Equipment</i>	46
<i>Electrical Hazards</i>	47
<i>Fire Extinguishers</i>	47
<i>Report Injuries</i>	47
<i>Ask Questions</i>	47
WEAPONS	47
FIRE PREVENTION	47
<i>In Case of Fire</i>	48
EMERGENCY EVACUATION	48
HOUSEKEEPING	48
OFFICE SAFETY	49
PROPERTY AND EQUIPMENT CARE	49
SECURITY	50
SMOKING	50
SEPARATION OF EMPLOYMENT	51
TERMINATION	51
INSURANCE CONVERSION PRIVILEGES	51
EXIT INTERVIEWS	51
RETURN OF COMPANY PROPERTY	51
FORMER EMPLOYEES	52
REINSTATEMENT OF BENEFITS (BRIDGING)	52
POST-EMPLOYMENT INQUIRIES	52
WORKPLACE POLICIES	53
COMMUNICATIONS	53
COMPUTER SOFTWARE (UNAUTHORIZED COPYING)	53
COMPUTERS, ELECTRONIC MAIL, AND VOICE MAIL USAGE POLICY	54
DRESS CODE AND PERSONAL APPEARANCE	55
DRUG-FREE WORKPLACE POLICY	56
<i>Health Risks of Alcohol and Other Drug Use</i>	56
<i>Legal Implications of Alcohol and Other Drug Use</i>	57
<i>Where to Get Help</i>	60
EXPENSE REIMBURSEMENT	60
GIFTS	61
PERSONAL USE OF COMPANY PROPERTY	61
PETS AT WORK	61
RECYCLING, WASTE PREVENTION AND CONSERVATION	62
<i>Acceptable</i>	62
<i>Unacceptable</i>	62
EXCEPTIONS	62
<i>Just a Few Reasons for Recycling</i>	62
RELATIVES	63

SPOUSE ACCEPTS EMPLOYMENT - OR WORKS FOR A COMPETITOR	63
USE OF COMPANY VEHICLE	63
VIOLENCE IN THE WORKPLACE POLICY	64

An Overview of Hoffman Manufacturing

About Hoffman Manufacturing

In 1998, Hoffman Manufacturing Corporation was created by Geoffrey Hoffman to build student furniture from powder-coated welded steel frames and wood panels. The student furniture business was very seasonal and most potential customers seemed interested in buying furniture that cost less than what HMC produced. Fortunately, with HMC's panel processing, cabinet making, and metal working capabilities, HMC was prime for store fixture manufacturing. Currently, much of HMC's work is providing store fixtures to other manufacturers.

The first year of business was spent occupying a 4000 square foot space without plumbing on the south side of Madison next to a dog training company. HMC's next building expanded to 7500 square feet, located on Index Road near the Hummer/Cadillac dealership off of Fish Hatchery. HMC continued to grow there for six years, but tight quarters finally forced the company to extend out to another leased building for powder coating and one more for assembly. Ground broke for a custom designed 25,000 square foot plant mid-2004 at the current Blazing Star location. The lot size allows for another 40,000 square feet of expansion.

With the exception of only one year since 1998, HMC has grown steadily. With only one person in the company, sales in 1998 were \$69,000. In 2005, sales were \$2,768,000 and HMC employed 24 people. Higher sales and number of employees is the trend for 2006.

Hoffman Manufacturing Corp is a chapter S Corporation incorporated in the state of Wisconsin.

Concept

Hoffman Manufacturing's ability with wood and metal has been key to its success. Many companies do only one or the other. HMC's benefit is diversity; the company's ability to balance work load and have more control over product with out having to outsource makes the company unique.

Other keys include design and engineering. Investing in technology has been fundamental.

Also important is the understanding that HMC sells more than tangible fixtures. The company sells quick turn-around and convenience to a customer. Service is a huge component of the product.

Hoffman Manufacturing Organization Chart

Geoffrey Hoffman is the 100% owner and president. There are no other officers. Directly under the president are the following positions:

(All team leaders)

Panel processing (or machines)
Wood and assembly
Metals
Powder coating
Shipping and receiving
Project managers
Drafting and engineering

What You Can Expect From Hoffman Manufacturing

Hoffman Manufacturing believes in creating a harmonious working relationship between all employees. In pursuit of this goal, Hoffman Manufacturing has created the following employee relations objectives:

1. Provide an exciting, challenging, and rewarding workplace and experience.
2. Select people on the basis of skill, training, ability, attitude, and character without discrimination with regard to age, sex, color, race, creed, national origin, religious persuasion, marital status, political belief, or a disability that does not prohibit performance of essential job functions.
3. Compensate all employees according to their effort and contribution to the success of our business.
4. Review wages, employee benefits and working conditions with the objective of being competitive in these areas consistent with sound business practices.
5. Provide paid time off and holidays to all eligible employees.
6. Provide eligible employees with health benefits.
7. Assure employees, after talking with their manager, an opportunity to discuss any issue or problem with officers of Hoffman Manufacturing.
8. Take prompt and fair action of any complaint which may arise in the everyday conduct of our business, to the extent that is practicable.
9. Respect individual rights, and treat all employees with courtesy and consideration.
10. Maintain mutual respect in our working relationship.
11. Provide buildings and offices that are comfortable, orderly and safe.
12. Promote employees on the basis of their ability and merit.
13. Make promotions or fill vacancies from within Hoffman Manufacturing whenever practical.

What Hoffman Manufacturing Expects From You

Hoffman Manufacturing needs your help in making each working day enjoyable and rewarding. Your first responsibility is to know your own duties and how to do them promptly, correctly and pleasantly. Secondly, you are expected to cooperate with management and your fellow employees and to maintain a good team attitude.

How you interact with fellow employees and those whom Hoffman Manufacturing serves, and how you accept direction can affect the success of your department. In turn, the performance of one department can impact the entire service offered by Hoffman Manufacturing. Consequently, whatever your position, you have an important assignment: perform every task to the very best of your ability.

You are encouraged to grasp opportunities for personal development offered to you. This manual offers insight on how you can perform positively and to the best of your ability to meet and exceed Hoffman Manufacturing expectations.

We strongly believe you should have the right to make your own choices in matters that concern and control your life. We believe in direct access to management. We are dedicated to making Hoffman Manufacturing a company where you can approach your manager, or any member of management, to discuss any problem or question. We expect you to voice your opinions and contribute your suggestions to improve the quality of Hoffman Manufacturing. We're all human, so please communicate with each other and with management.

Remember, you help create the pleasant and safe working conditions that Hoffman Manufacturing intends for you. The result will be better performance for the company overall, and personal satisfaction for you.

Open Communication Policy

Hoffman Manufacturing encourages you to discuss any issue you may have with a co-worker directly with that person. If a resolution is not reached, please arrange a meeting with your team leader or Geoff Hoffman to discuss any concern, problem, or issue that arises during the course of your employment. Any information discussed in an Open Communication meeting is considered confidential. Retaliation against any employee for appropriate usage of Open Communication channels is unacceptable. Please remember it is counterproductive to a harmonious workplace for employees to create or repeat corporate rumors or office gossip. It is more constructive for an employee to consult his/her team leader immediately with any questions.

Outside Employment

Employees may not take an outside job, either for pay or as a donation of her/his personal time, with a customer or competitor of Hoffman Manufacturing; nor may they do work on their own if it competes in any way with the sales of products or services we provide our customers. If your financial situation requires you to hold a second job, part-time or full-time, or if you intend to engage in a business enterprise of your own, Hoffman Manufacturing would like to know about it. Before accepting any outside employment you are encouraged to discuss the matter with Geoff Hoffman.

Suggestions

We encourage all employees to bring forward their suggestions and good ideas about how our company can be made a better place to work, our products improved, and our service to customers enhanced. When you see an opportunity for improvement, please talk it over with your team leader or Geoff Hoffman. She/he can help you bring your idea to the attention of the people in the company who will be responsible for possibly implementing it.

Employment

At-Will Employment

Your employment with Hoffman Manufacturing is at-will. This means that neither you nor Hoffman Manufacturing has entered into a contract regarding the duration of your employment. You are free to terminate your employment with Hoffman Manufacturing at any time, with or without reason. Likewise, Hoffman Manufacturing has the right to terminate your employment, or otherwise discipline, transfer, or demote you at any time, with or without reason, at the discretion of Hoffman Manufacturing.

No employee of Hoffman Manufacturing can enter into an employment contract for a specified period of time, or make any agreement contrary to this policy without written approval from Geoff Hoffman.

Arbitration Policy

If an employment dispute arises while you are employed at Hoffman Manufacturing, Hoffman Manufacturing requests that you agree to submit any such dispute arising out of your employment or the termination of your employment (including, but not limited to, claims of unlawful termination based on race, sex, age national origin, disability, breach of contract or any other bias prohibited by law) exclusively to binding arbitration under the federal Arbitration Act, 9 U.S.C., Section 1. Similarly, any disputes arising during your employment involving claims of unlawful discrimination or harassment under federal or state statutes shall be submitted exclusively to binding arbitration under the above provisions. This arbitration shall be the exclusive means of resolving any dispute arising out of your employment or termination from employment by Hoffman Manufacturing or you, and no other action can be brought by employees in any court or any forum.

By simply accepting or continuing employment with Hoffman Manufacturing, you automatically agree that arbitration is the exclusive remedy for all disputes arising out of or related to your employment with Hoffman Manufacturing and you agree to waive all rights to a civil court action regarding your employment and the termination of your employment with Hoffman Manufacturing; only the arbitrator, and not a judge nor a jury, will decide the dispute.

If you decide to dispute your termination or any other alleged incident during your employment, including but not limited to unlawful discrimination or harassment, you must deliver a written request for arbitration to Hoffman Manufacturing within one (1) year from the date of termination, or one (1) year from the date on which the alleged incident(s) or conduct occurred, and respond within fourteen (14) calendar days to each communication regarding the selection of an arbitrator and the scheduling of a hearing. If Hoffman Manufacturing does not receive a written request for arbitration from you within one (1) year, or if you do not respond to any communication from Hoffman Manufacturing about the arbitration proceedings within fourteen (14) calendar days, you will have waived any right to raise any claims arising out of the termination of your employment with Hoffman Manufacturing, or involving claims of unlawful discrimination or harassment, in arbitration and in any court or other forum.

You and Hoffman Manufacturing shall each bear respective costs for legal representation at any such arbitration. The cost of the arbitrator and court reporter, if any, shall be shared equally by the parties.

Termination of Your Employment

Hoffman Manufacturing will consider you to have voluntarily terminated your employment if you do any of the following:

1. Resign from Hoffman Manufacturing,
2. Fail to return from an approved leave of absence on the date specified by Hoffman Manufacturing, or
3. Fail to report to work or call in for three (3) or more consecutive work days.

You may be terminated for poor performance, misconduct, excessive absences, tardiness, discrimination, harassment, or other violations of Hoffman Manufacturing policies. However, your employment is at-will, and you and Hoffman Manufacturing have the right to terminate your employment for any or no reason.

Confidential Information

Our customers and suppliers entrust Hoffman Manufacturing with important information relating to their businesses. The nature of this relationship requires maintenance of confidentiality. In safeguarding the information received, Hoffman Manufacturing earns the respect and further trust of our customers and suppliers.

If you are questioned by someone outside the company or your department and you are concerned about the appropriateness of giving them certain information, you are not required to answer. Instead, as politely as possible, refer the request to Geoff Hoffman.

No one is permitted to remove or make copies of any Hoffman Manufacturing records, reports or documents without prior management approval. Disclosure of confidential information could lead to termination, as well as other possible legal action.

Customer Relations

The success of Hoffman Manufacturing depends upon the quality of the relationships between Hoffman Manufacturing, our employees, customers, suppliers and the general public. Our customers' impression of Hoffman Manufacturing and their interest and willingness to purchase from us is greatly formed by the people who serve them. In a sense, regardless of your position, you are Hoffman Manufacturing's ambassador. The more goodwill you promote, the more our customers will respect and appreciate you, Hoffman Manufacturing and Hoffman Manufacturing's products and services.

Below are several things you can do to help give customers a good impression of Hoffman Manufacturing. These are the building blocks for our continued success.

1. Act competently and deal with customers in a courteous and respectful manner.
2. Communicate pleasantly and respectfully with other employees at all times.
3. Follow up on orders and questions promptly, provide businesslike replies to inquiries and requests, and perform all duties in an orderly manner.
4. Take great pride in your work and enjoy doing your very best.

These policies apply to all areas of employment, including recruitment, hiring, training and development, promotion, transfer, termination, layoff, compensation benefits, social and recreational programs, and all other conditions and privileges of employment in accordance with applicable federal, state, and local laws.

Equal Employment Opportunity

Hoffman Manufacturing is an equal employment opportunity employer. Employment decisions are based on merit and business needs, and not on race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age, religion, creed,

physical or mental disability, marital status, veteran status, political affiliation, or any other factor protected by law. Hoffman Manufacturing complies with the law regarding reasonable accommodation for handicapped and disabled employees. Hoffman Manufacturing's president has issued the following policy stating Hoffman Manufacturing's views on this matter.

It is the policy of Hoffman Manufacturing to comply with all the relevant and applicable provisions of the Americans with Disabilities Act (ADA). Hoffman Manufacturing will not discriminate against any qualified employee or job applicant with respect to any terms, privileges, or conditions of employment because of a person's physical or mental disability. Hoffman Manufacturing will also make reasonable accommodation wherever necessary for all employees or applicants with disabilities, provided that the individual is otherwise qualified to safely perform the essential duties and assignments connected with the job and provided that any accommodations made do not impose an undue hardship on Hoffman Manufacturing.

Equal employment opportunity notices are posted near employee gathering places as required by law. These notices summarize the rights of employees to equal opportunity in employment and list the names and addresses of the various government agencies that may be contacted in the event that any person believes he or she has been discriminated against.

Management is primarily responsible for seeing that Hoffman Manufacturing's equal employment opportunity policies are implemented, but all members of the staff share in the responsibility for assuring that by their personal actions the policies are effective and apply uniformly to everyone.

Any employees, including managers, involved in discriminatory practices will be subject to termination.

Harassment Policy

Hoffman Manufacturing intends to provide a work environment that is pleasant, professional, and free from intimidation, hostility or other offenses which might interfere with work performance. Harassment of any sort - verbal, physical, visual - will not be tolerated, particularly against employees in protected classes. These classes include, but are not necessarily limited to race, color, religion, sex, age, sexual orientation, national origin or ancestry, disability, medical condition, marital status, veteran status, or any other protected status defined by law.

What Is Harassment?

Workplace harassment can take many forms. It may be, but is not limited to, words, signs, offensive jokes, cartoons, pictures, posters, e-mail jokes or statements, pranks, intimidation, physical assaults or contact, or violence. Harassment is not necessarily sexual in nature. It may also take the form of other vocal activity including derogatory statements not directed to the targeted individual but taking place within their hearing. Other prohibited conduct includes written material such as notes, photographs, cartoons, articles of a harassing or offensive nature, and taking retaliatory action against an employee for discussing or making a harassment complaint.

Responsibility

All Hoffman Manufacturing employees, and particularly managers, have a responsibility for keeping our work environment free of harassment. Any employee who becomes aware of an incident of harassment, whether by witnessing the incident or being told of it, must report it to Geoff Hoffman or the designated management representative with whom they feel comfortable. When management becomes aware of the existence of harassment, it is obligated by law to take prompt and appropriate action, whether or not the victim wants the company to do so.

Reporting

While Hoffman Manufacturing encourages you to communicate directly with the alleged harasser, and make it clear that the harasser's behavior is unacceptable, offensive or inappropriate, it is not required that you do so. It is essential, however, to notify Geoff Hoffman immediately even if you are not sure the offending behavior is considered harassment. Any incidents of harassment must be immediately reported to a manager or other management representative. Appropriate investigation and disciplinary action will be taken. All reports will be promptly investigated with due regard for the privacy of everyone involved. However, confidentiality cannot be guaranteed. Any employee found to have harassed a fellow employee or subordinate will be subject to severe disciplinary action up to and including termination. Hoffman Manufacturing will also take any additional action necessary to appropriately remedy the situation. Retaliation of any sort will not be permitted. No adverse employment action will be taken for any employee making a good faith report of alleged harassment.

Hoffman Manufacturing accepts no liability for harassment of one employee by another employee. The individual who makes unwelcome advances, threatens or in any way harasses another employee is personally liable for such actions and their consequences. Hoffman Manufacturing may or may not provide legal, financial or any other assistance to an individual accused of harassment if a legal complaint is filed.

Policy Statement on Sexual Harassment

What Is Sexual Harassment?

Sexual harassment may include unwelcome sexual advances, requests for sexual favors, or other verbal or physical contact of a sexual nature when such conduct creates an offensive, hostile and intimidating working environment and prevents an individual from effectively performing the duties of their position. It also encompasses such conduct when it is made a term or condition of employment or compensation, either implicitly or explicitly and when an employment decision is based on an individual's acceptance or rejection of such conduct.

It is important to note that sexual harassment crosses age and gender boundaries and can not be stereotyped. Among other perceived unconventional situations, sexual harassment may even involve two women or two men.

Sexual harassment may exist on a continuum of behavior. For instance, one example of sexual harassment may be that of an employee showing offensive pictures to another employee.

Generally, two categories of sexual harassment exist. The first, "quid pro quo," may be defined as an exchange of sexual favors for improvement in your working conditions and/or compensation. The second category, "hostile, intimidating, offensive working environment," can be described as a situation in which unwelcome sexual advances, requests for sexual favors, or other verbal or physical contact of a sexual nature when such conduct creates an intimidating or offensive environment. Examples of a hostile, intimidating, and offensive working environment includes, but is not limited to, pictures, cartoons, symbols, or apparatus found to be offensive and which exist in the workspace of an employee. This behavior does not necessarily link improved working conditions in exchange for sexual favors. It is also against Hoffman Manufacturing policy to download inappropriate pictures or materials from computer systems.

Hoffman Manufacturing prohibits any employee from retaliating in any way against anyone who has raised any concern about sexual harassment or discrimination against another individual.

Hoffman Manufacturing will investigate any complaint of sexual harassment and will take immediate and appropriate disciplinary action if sexual harassment has been found within the workplace.

Standards of Conduct

Whenever people gather together to achieve goals, some rules of conduct are needed to help everyone work together efficiently, effectively, and harmoniously. By accepting employment with us, you have a responsibility to Hoffman Manufacturing and to your fellow employees to adhere to certain rules of behavior and conduct. The purpose of these rules is not to restrict your rights, but rather to be certain that you understand what conduct is expected and necessary. When each person is aware that she/he can fully depend upon fellow workers to follow the rules of conduct, our organization will be a better place to work for everyone.

Unacceptable Activities

Generally speaking, we expect each person to act in a mature and responsible way at all times. If you have any questions concerning any work or safety rule, or any of the unacceptable activities listed below, please see Geoff Hoffman for an explanation.

Note that the following list of Unacceptable Activities does not include all types of conduct that can result in disciplinary action, up to and including termination. Nothing in this list alters the at-will nature of your employment; either you or Hoffman Manufacturing may terminate the employment relationship with or without reason, and in the absence of any violation of these rules.

1. Violation of any company rule; any action that is detrimental to Hoffman Manufacturing's efforts to operate profitably.
2. Violation of security or safety rules or failure to observe safety rules or Hoffman Manufacturing safety practices; failure to wear required safety equipment; tampering with Hoffman Manufacturing equipment or safety equipment.

3. Negligence or any careless action which endangers the life or safety of another person.
4. Being intoxicated or under the influence of a controlled substance while at work; use, possession or sale of a controlled substance in any quantity while on company premises, except medications prescribed by a physician which do not impair work performance.
5. Unauthorized possession of dangerous or illegal firearms, weapons or explosives on company property or while on duty.
6. Engaging in criminal conduct or acts of violence, or making threats of violence toward anyone on company premises or when representing Hoffman Manufacturing; fighting, or provoking a fight on company property, or negligent damage of property.
7. Insubordination or refusing to obey instructions properly issued by your manager pertaining to your work; refusal to help out on a special assignment.
8. Threatening, intimidating or coercing fellow employees on or off the premises at any time, for any purpose.
9. Engaging in an act of sabotage; negligently causing the destruction or damage of company property, or the property of fellow employees, customers, suppliers, or visitors in any manner.
10. Theft or unauthorized possession of company property or the property of fellow employees; unauthorized possession or removal of any company property, including documents, from the premises without prior permission from management; unauthorized use of company equipment or property for personal reasons; using company equipment for profit.
11. Dishonesty; falsification or misrepresentation on your application for employment or other work records; lying about sick or personal leave; falsifying reason for a leave of absence or other data requested by Hoffman Manufacturing; alteration of company records or other company documents.
12. Violating the non-disclosure agreement; giving confidential or proprietary Hoffman Manufacturing information to competitors or other organizations or to unauthorized Hoffman Manufacturing employees; working for a competing business while a Hoffman Manufacturing employee; breach of confidentiality of personnel information.
13. Spreading malicious gossip and/or rumors; engaging in behavior which creates discord and lack of harmony; interfering with another employee on the job; restricting work output or encouraging others to do the same.
14. Immoral conduct or indecency on company property.
15. Unsatisfactory or careless work; failure to meet production or quality standards as explained to you by your team leader or Geoff Hoffman.

16. Any act of harassment, sexual, racial or other; telling sexist or racist jokes; making racial or ethnic slurs.
17. Leaving work before the end of a workday or not being ready to work at the start of a workday without approval of your team leader; stopping work before time specified for such purposes.
18. Sleeping or loitering during working hours.
19. Excessive use of company telephone for personal calls.
20. Smoking in restricted areas or at non-designated times, as specified by department rules.
21. Creating or contributing to unsanitary conditions.
22. Posting, removing or altering notices on any bulletin board on company property without the permission of an officer of Hoffman Manufacturing.
23. Failure to report an absence or late arrival; excessive absence or lateness.
24. Filling your own order or invoicing or ringing up your own order.
25. Buying company merchandise for resale.
26. Obscene or abusive language toward any manager, employee or customer; indifference or rudeness towards a customer or fellow employee; any disorderly/antagonistic conduct on company premises.
27. Speeding or careless driving of company vehicles.
28. Failure to immediately report damage to, or an accident involving, company equipment.
29. Soliciting during working hours and/or in working areas; selling merchandise or collecting funds of any kind for charities or others without authorization during business hours, or at a time or place that interferes with the work of another employee on company premises.
30. Failure to use your timesheet; alteration of your own timesheet or records or attendance documents; punching or altering another employee's timesheet or records, or causing someone to alter your timesheet or records.

Disciplinary Actions

This Disciplinary Actions Policy applies to all regular employees who have completed the Introductory Period.

This policy pertains to matters of conduct as well as the employee's competence. However, an employee who does not display satisfactory performance and accomplishment on the job may be dismissed, in certain cases, without resorting to the steps set forth in this policy.

Under normal circumstances, managers are expected to follow the procedure outlined below. There may be particular situations, however, in which the seriousness of the offense justifies the omission of one or more of the steps in the procedure. Likewise, there may be times when the company may decide to repeat a disciplinary step.

Discipline Procedure

Unacceptable behavior which does not lead to immediate dismissal may be dealt with in the following manner:

1. Oral Reminder
2. Written Warning
3. Decision-Making Paid Leave / Counseling Session
4. Termination

To insure that Hoffman Manufacturing business is conducted properly and efficiently, you must conform to certain standards of attendance, conduct, work performance and other work rules and regulations. When a problem in these areas does arise, your manager will coach and counsel you in mutually developing an effective solution. If, however, you fail to respond to coaching or counseling, or an incident occurs requiring formal discipline, the following procedures occur.

Step One: Oral Reminder

Your team leader will meet with you to discuss the problem or violation, making sure that you understand the nature of the problem or violation and the expected remedy. The purpose of this conversation is to remind you of exactly what the rule or performance expectation is and also to remind you that it is your responsibility to meet Hoffman Manufacturing's expectations.

Step Two: Written Warning

If your performance does not improve within the five (5) month period, or if the you are again in violation of Hoffman Manufacturing practices, rules or standards of conduct, your team leader will discuss the problem with you, emphasizing the seriousness of the issue and the need for you to immediately remedy the problem. Your team leader will advise you that you are now at the second formal level of disciplinary action. After the meeting your team leader will write a memo to you summarizing the discussion and your agreement to change. A copy of the memo will be sent to your personnel file.

The Written Warning will remain in effect for five (5) months.

Step Three: Decision-Making Leave / Counseling Session

If your performance does not improve within the five (5) month period following the Written Warning, or if you are again in violation of Hoffman Manufacturing practices, rules or standards of conduct, you will be placed on Decision-Making Leave. The

Decision-Making Leave is the third and final step of Hoffman Manufacturing's disciplinary process.

Decision-Making Leave is a paid, one- (1) day disciplinary suspension. Employees on Decision-Making Leave will spend the following day away from work deciding whether to commit to correcting the immediate problem and to conform to all of the company's practices, rules and standards of conduct, or to quit and terminate their employment with Hoffman Manufacturing.

If your decision following the Decision-Making Leave is to return to work and abide by Hoffman Manufacturing practices, rules and standards of conduct, your team leader will write a letter to you explaining your commitment and the consequences of failing to meet this commitment. You will be required to sign the letter to acknowledge receipt. A copy will be placed in your personnel file.

You will be allowed to return to work with the understanding that if a positive change in behavior does not occur, or if another disciplinary problem occurs within the next three (3) months, you will be terminated.

If you are unwilling to make such a commitment, you may either resign or be terminated.

Crisis Suspension

If you commit any of the actions listed below, or any other action not specified but similarly serious, you will be suspended without pay pending an investigation of the situation. Following the investigation you may be terminated without any previous disciplinary action having been taken.

1. Theft.
2. Falsification of Hoffman Manufacturing's records.
3. Failure to follow safety practices.
4. Breach of Confidentiality Agreement.
5. Threat of, or the act of, doing bodily harm.
6. Willful or negligent destruction of property.
7. Use and/or possession of intoxicants, drugs or narcotics.

The provision of this Disciplinary Policy is not a guarantee of its use. Hoffman Manufacturing reserves the right to terminate employment at any time, with or without reason. Additionally, Hoffman Manufacturing reserves the right to prosecute any employee for any of the above infractions.

Introductory Period

Your first ninety (90) days of employment at Hoffman Manufacturing are considered an Introductory Period. This Introductory Period will be a time for getting to know

your fellow employees, your team leader and the tasks involved in your job position, as well as becoming familiar with Hoffman Manufacturing's products and services. Your team leader will work closely with you to help you understand the needs and processes of your job.

This Introductory Period is a "getting acquainted" time for both you, as an employee, and Hoffman Manufacturing, as an employer. During this Introductory Period, Hoffman Manufacturing will evaluate your suitability for employment, and you can evaluate Hoffman Manufacturing as well. Please understand, however, that completion of the Introductory Period does not guarantee continued employment, as employment is always at-will. You are free to terminate your employment at any time, with or without reason, and Hoffman Manufacturing may choose to terminate your employment at any time, with or without reason.

At the end of the Introductory Period, your team leader will discuss your job performance with you. This review will be similar to the job performance review that is held for regular full-time or part-time employees on an annual basis.

A former employee who has been rehired after a separation from Hoffman Manufacturing of more than one (1) year is considered an introductory employee during their first ninety (90) days following rehire.

Anniversary Date

The first day you report to work is your "official" anniversary date. Your anniversary date is used to compute various conditions and benefits described in this Employee Manual.

Immigration Law Compliance

All offers of employment are contingent on verification of your right to work in the United States. On your first day of work you will be asked to provide original documents verifying your right to work and, as required by federal law, to sign Federal Form I-9, Employment Eligibility Verification Form. If you at any time cannot verify your right to work in the United States, Hoffman Manufacturing may be obliged to terminate your employment.

New Employee Orientation

On your first working day, you will be asked to complete employment paperwork. Depending on your department's workload, your team leader will introduce you to your co-workers and office layout. Please feel free to ask your colleagues any questions not answered during your orientation.

Work Schedule

Business Hours

Our regular operating hours are from 6:30 a.m. to 4:00 p.m. Monday to Thursday and 6:30 a.m. to 10:30 a.m. on Friday. Friday may go past 10:30 a.m. if you take

longer than 30 minute lunches during the rest of the week or if the work load requires overtime.

Your particular hours of work and the scheduling of your meal period will be determined and assigned by your team leader. Most employees are assigned to work a forty (40) hour workweek. You are required to take a 30 minute lunch break when working 6 hours or more per day.

Attendance

Hoffman Manufacturing would like you to be ready to work at the beginning of your assigned daily work hours, and to reasonably complete your projects by the end of your assigned work hours. Please let your team leader know if you will be away from your work station for an extended period of time and when you expect to return.

Absence or Lateness

From time to time, it may be necessary for you to be absent from work. Hoffman Manufacturing is aware that emergencies, illnesses, or pressing personal business that cannot be scheduled outside your work hours may arise. Vacation days have been provided for this purpose.

If you are unable to report to work, or if you will arrive late, please contact Geoff Hoffman immediately. Call the company at 608-222-8787 and leave a message in the general mailbox. If you know in advance that you will need to be absent, please request this time off directly from Geoff Hoffman.

If you are unable to call in yourself because of an illness, emergency or for some other reason, be sure to have someone call for you.

Absence from work for three (3) consecutive days without notifying Geoff Hoffman will be considered a voluntary resignation.

If you are absent because of an illness for three (3) or more successive days, Geoff Hoffman may request that you submit written documentation from your doctor stating you are able to resume normal work duties before you will be allowed to return to work.

A consistent pattern of questionable absences can be considered excessive, and may be cause for concern. In addition, excessive lateness or leaving early without letting your team leader know will be considered a "lateness pattern" and may carry the same weight as an absence. Other factors, like the degree and reason for the lateness, will be taken into consideration.

Meal and Break Periods

You may schedule break periods with your team leader. There are no paid breaks. When you are not working or on break, you must be punched out. Do not punch out for bathroom breaks.

If you work longer than six (6) hours, you will be given an unpaid meal period. The time when meal periods are scheduled varies among departments, depending on the needs of each department. You are requested not to perform any work during your regularly scheduled meal period. It is important to return to work on time at the end of your meal period.

Meal Room Facility

For your convenience and comfort, Hoffman Manufacturing provides a meal room. This area is for everyone's use. It is your responsibility to do your share in keeping this facility clean and sanitary.

The refrigerator is cleaned out every Friday.

Severe Weather and Emergency Conditions

In the event of severe weather conditions or other emergencies, Geoff Hoffman may decide to close Hoffman Manufacturing for the remainder of the day. As such, you will be notified as soon as possible by your team leader. No loss of pay will occur as a result of early dismissal for this reason. Likewise, if you report to work and find that Hoffman Manufacturing is unexpectedly closed due to an emergency, no loss of pay will occur.

Any employee who was on a previously approved leave day during a declared emergency shall not be charged leave for the emergency period.

Employment Classifications

At the time you are hired, you are classified as either full-time, part-time or temporary. If you are unsure of which job classification your position fits into, please ask Geoff Hoffman.

Full-Time Employees

An employee who has successfully completed their introductory period (see the Introductory Period Policy for a specific definition) and who works at least 36 hours per week is considered a full-time employee.

Unless otherwise specified, the benefits described in this Employee Manual apply only to full-time employees.

If you were a full-time employee and were laid off, you will be considered a full-time employee upon return to work, provided that you were not laid off for longer than one (1) year.

If you were a full-time employee and have been on an approved leave of absence, upon return you will be considered a full-time employee, provided you return to work as agreed in the provisions of your leave.

Part-Time Employees

An employee who works less than 36 hours per week is considered a part-time employee. If you are a part-time employee, please understand that you are not eligible for benefits described in this Employee Manual, except as granted on occasion, or to the extent required by provision of state and federal laws.

Regular Employees

Employees hired to work on a regular basis for an indefinite period of time are classified as "regular" employees. Such employees may be either full- or part-time.

Temporary Employees

From time to time, Hoffman Manufacturing may hire employees for specific periods of time or for the completion of a specific project. An employee hired under these conditions will be considered a temporary employee. The job assignment, work schedule and duration of the position will be determined on an individual basis.

Normally, a temporary position will not exceed six (6) months in duration, unless specifically extended by a written agreement. Summer employees, interns and seasonal employees are considered temporary employees.

A temporary employee does not become a regular employee by virtue of being employed longer than the agreed upon specified period.

Temporary employees are not eligible for benefits described in this Employee Manual, except as granted on occasion, or to the extent required by provision of state and federal laws.

Personnel Records and Administration

The task of handling personnel records and related personnel administration functions at Hoffman Manufacturing has been assigned to Geoff Hoffman. Questions regarding insurance, wages, and interpretation of policies may be directed to Geoff Hoffman.

Your Personnel File

Keeping your personnel file up-to-date can be important to you with regard to pay, deductions, benefits and other matters. If you have a change in any of the items listed below, please be sure to notify Geoff Hoffman as soon as possible.

1. Legal name
2. Home address
3. Home telephone number
4. Person to call in case of emergency
5. Number of dependents
6. Marital status
7. Change of beneficiary

8. Driving record or status of driver's license, if you operate any Hoffman Manufacturing vehicles
9. Military or draft status
10. Exemptions on your W-4 tax form
11. Training Certificates
12. Professional License

Upon experiencing a family status change, please notify Geoff Hoffman within 31 days for benefit modifications, if necessary.

You may see information which is kept in your own personnel file if you wish, and you may request and receive copies of all documents you have signed. Please make arrangements with Geoff Hoffman.

Your Medical Records File

All medical records, if any, will be kept in a confidential file. Hoffman Manufacturing maintains this information in the strictest confidence and may not use or disclose medical information about an employee without the employee first having signed an authorization form permitting such use or disclosure.

Compensation

The goal of Hoffman Manufacturing's compensation program is to attract potential employees, meet the needs of all current employees and encourage well-performing employees to stay with our organization. With this in mind, our compensation program is built to balance both employee and Hoffman Manufacturing needs.

Wage and Salary Policies

Compensation Philosophy

It is Hoffman Manufacturing's desire to pay all regular employees' wages and salaries that are competitive with other employers in the marketplace in a way that will be motivational, fair and equitable. Compensation may vary with individual and company performance and in compliance with all applicable statutory requirements.

Hoffman Manufacturing applies the same principles of fairness to all employees, regardless of organizational level, race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age, religion, creed, physical or mental disability, marital status, veteran status, political affiliation, or any other factor protected by law.

Basis for Determining Pay

Several factors may influence your rate of pay. Some of the items Hoffman Manufacturing considers are the nature and scope of your job, what other employers pay their employees for comparable jobs (external equity), what Hoffman Manufacturing pays their employees in comparable positions (internal equity), and individual as well as Hoffman Manufacturing performance.

Pay Period and Hours

Our payroll work week begins on Monday at 12:01 a.m. and ends on Sunday 12:00 midnight.

Pay Cycle

Bi-Weekly Pay Cycle

Payday is normally on every other Thursday for services performed during the two (2) week period ending the previous Sunday at 12:00 midnight. The bi-weekly pay schedule is made up of twenty-six (26) pay periods per year.

Changes will be made and announced in advance whenever Hoffman Manufacturing holidays or closings interfere with the normal pay schedule.

Paycheck Distribution

Paychecks will be distributed by your team leader or available for you to take from the team basket in the main office or directly deposited to the checking or savings account you specify on the pay dates specified above.

Computing Pay

Hoffman Manufacturing will compute your time on the basis of a forty (40) hour work week.

Mandatory Deductions from Paycheck

Hoffman Manufacturing is required by law to make certain deductions from your paycheck each time one is prepared. Among these are your federal, state and local income taxes and your contribution to Social Security as required by law. These deductions will be itemized on your check stub. The amount of the deductions will depend on your earnings and on the information you furnish on your W-4 form regarding the number of exemptions you claim. If you wish to modify this number, please request a new W-4 form from Geoff Hoffman immediately. Only you may modify your W-4 form. Verbal or written instructions are not sufficient to modify withholding allowances. We advise you to check your pay stub to ensure that it reflects the proper number of withholdings.

The W-2 form you receive annually reflects how much of your earnings were deducted for these purposes.

Any other mandatory deductions to be made from your paycheck, such as court-ordered garnishments, will be explained whenever Hoffman Manufacturing is ordered to make such deductions.

Direct Payroll Deposit

Direct payroll deposit is the automatic deposit of your pay into the financial institution accounts of your choice. In addition, it may be possible for you to authorize Hoffman Manufacturing to make additional deductions from your paycheck, such as for Christmas Clubs, credit union loan payments, or payroll savings plans. Contact Geoff Hoffman for details and the necessary authorization forms.

Error in Pay

Every effort is made to avoid errors in your paycheck. If you believe an error has been made, tell Geoff Hoffman immediately. He will take the necessary steps to research the problem and to assure that any necessary correction is made promptly.

Overtime Pay

If you are a regular employee, you will be eligible to receive overtime pay of one and one-half (1 1/2) times your regular hourly wage for approved hours worked over forty (40) hours in one (1) week. If, during that week, you were away from the job because of a job-related injury, paid holiday, jury duty, vacation day, or paid sick

time, those hours not worked will not be counted as hours worked for the purpose of computing eligibility for overtime pay.

Work Performed on Company Holidays

Working on a company holiday does not affect the pay rate for that day.

Note: Please see the Holiday Policy in the section titled "Paid Leaves" of this Employee Manual for further information.

Compensatory Time Off

Hoffman Manufacturing does not offer compensatory time off, ("comp time"), to any Hoffman Manufacturing employee in lieu of overtime pay for overtime hours worked.

Shift Premium

Hoffman Manufacturing assigns certain employees to work on a second or third shift operation. These people may be paid an additional amount over and above the regular rate of pay for that job as a shift premium.

Time Records

By law, we are obligated to keep accurate records of the time worked by employees. This is done by our Timeclock software. Most PC's in the building have the software running on them at all times.

You are responsible for accurately recording your time. No one may record hours worked on another's timecard or timesheet. Tampering with another's time record is cause for disciplinary action, up to and including possible termination, of both employees. In the event of an error in recording your time, please report the matter to Geoff Hoffman immediately.

Wage Garnishments

When court-ordered deductions are to be taken from your paycheck, you will be notified.

Hoffman Manufacturing acts in accordance with the federal Consumer Credit Protection Act, which places restrictions on the total amount that may be garnished from your paycheck.

Note: Please see the Mandatory Deductions From Paycheck Policy earlier in this section for further information.

Performance and Compensation Reviews

Performance Reviews

Because we want you to grow and succeed in your job, Hoffman Manufacturing conducts a formal review one (1) time per year for each employee. New employees may be reviewed near the end of their Introductory Period. A review may also be conducted in the event of a promotion or change in duties and responsibilities.

During a formal performance review your team leader may cover the following areas:

- The quality and quantity of your work.
- Strengths and areas for improvement.
- Attitude and willingness to work.
- Initiative and teamwork.
- Attendance.
- Customer service orientation.
- Problem solving skills.
- Ongoing professional growth and development.

Additional areas may also be reviewed as they relate to your specific job.

Your review provides a golden opportunity for collaborative, two-way communication between you and your team leader. This is a good time to discuss your interests and future goals. Your team leader is interested in helping you to progress and grow in order to achieve personal as well as work-related goals - perhaps he/she can recommend further training or additional opportunities for you. The performance review gives your team leader an opportunity to suggest ways for you to advance and make your job at Hoffman Manufacturing more fulfilling.

Geoff Hoffman can answer any questions you may have about the performance review process.

Compensation Reviews

Hoffman Manufacturing's compensation reviews are usually given with performance reviews. Any applicable compensation increase will appear in the pay period ending after the date granted. Compensation increases may be retroactive in the case of late reviews. Having your compensation reviewed does not necessarily mean that you will be given an increase due to individual and/or company performance.

An individual's pay will depend on how consistently he/she performs over a given period of time. During the review, significant performance events that occurred

throughout the year will be discussed. The overall performance rating will influence the compensation adjustment.

In addition to individual job performance reviews, Hoffman Manufacturing periodically conducts a review of job descriptions to insure that we are fully aware of any changes in the duties and responsibilities of each position, and that such changes are recognized and adequately compensated.

Benefits

Hoffman Manufacturing is committed to sponsoring a comprehensive benefits program for all eligible employees. In addition to receiving an equitable salary and having an equal opportunity for professional development and advancement, you may be eligible to enjoy other benefits which will enhance your job satisfaction. We are certain you will agree the benefits program described in this Employee Manual represents a very large investment by Hoffman Manufacturing.

A good benefits program is a solid investment in Hoffman Manufacturing's employees. Hoffman Manufacturing will periodically review the benefits program and will make modifications as appropriate to the company's condition. Hoffman Manufacturing reserves the right to modify, add or delete the benefits it offers.

Eligibility for Benefits

If you are a full-time employee, you will enjoy all of the benefits described in this Employee Manual as soon as you meet the eligibility requirements for each particular benefit. Coverages are available to you and your dependents as defined in the benefit summary plan descriptions.

If you are a part-time employee, you will enjoy only those benefits specifically required by law, provided that you meet the minimum requirements set forth by law and in the benefit plan(s).

Temporary employees are not eligible for benefits.

No benefits are available to you during your Introductory Period, except as otherwise provided by law.

Note: Please see "Introductory Period" in the Employment section of this Employee Manual for further information.

Insurance Coverage

Group Insurance

Hoffman Manufacturing is dedicated to the health and well-being of both you and your family. A comprehensive, quality insurance program is available to you and your family. You become eligible for coverage on the 1st of the month following sixty (60) days from the date of hire.

The following benefits are provided, as defined and limited in the literature provided by our insurance company:

- Medical Care Coverage

You may purchase additional types of coverage and have premiums deducted from your paycheck. Those types are:

- Dental Care Coverage
- Vision Care Coverage
- Long Term Disability Insurance
- Short Term Disability Insurance
- Group Term Life Insurance / Accidental Death and Dismemberment Insurance

Upon enrolling, you will obtain summary plan descriptions describing your benefits in detail.

Hoffman Manufacturing Corp will pay the full cost for employee medical care coverage and dependent medical care coverages will be the responsibility of the employee.

Applicable employee contributions will be automatically deducted from your paycheck.

According to the federal Consolidated Omnibus Budget Reconciliated Act (COBRA) of 1985, in the event of your termination of employment with Hoffman Manufacturing or loss of eligibility to remain covered under our group health insurance program, you and your eligible dependents may have the right to continued coverage under our health insurance program for a limited period of time at your own expense. Consult Geoff Hoffman for details.

Health Insurance

Refer to the literature provided by our insurance companies for details on your health / dental coverage.

Government Required Coverage

Workers' Compensation

All employees are entitled to Workers' Compensation benefits. This coverage is automatic and immediate and protects you from an on-the-job injury. An on-the-job injury is defined as an accidental injury suffered in the course of your work, or an illness which is directly related to performing your assigned job duties. This job-injury insurance is paid for by Hoffman Manufacturing. If you cannot work due to a job-related injury or illness, Workers' Compensation insurance pays your medical bills and provides a portion of your income until you can return to work.

All injuries or illnesses arising out of the scope of your employment must be reported to Geoff Hoffman immediately. Prompt reporting is the key to prompt benefits.

Benefits are automatic, but nothing can happen until your employer knows about the injury. Insure your right to benefits by reporting every injury, no matter how slight.

Employees returning to work after being absent due to a work-related injury must report to their team leader prior to beginning work and must bring a doctor's clearance for returning to work.

Unemployment Compensation

Depending upon the circumstances, employees may be eligible for Unemployment Compensation upon termination of employment with Hoffman Manufacturing. Eligibility for Unemployment Compensation is determined by the Division of Unemployment Insurance of the State Department of Labor. Hoffman Manufacturing pays the entire cost of this insurance program.

Unemployment compensation is designed to provide you with a temporary income when you are out of work through no fault of your own. For your claim to be valid, you must have a minimum amount of earnings determined by the State, and you must be willing and able to work. You should apply for benefits through the local State Unemployment Office as soon as you become unemployed.

Social Security

The United States Government operates a system of mandated insurance known as Social Security. As a wage earner, you are required by law to contribute a set amount of your weekly wages to the trust fund from which benefits are paid. As your employer, Hoffman Manufacturing is required to deduct this amount from each paycheck you receive. In addition, Hoffman Manufacturing matches your contribution dollar for dollar, thereby paying one-half of the cost of your Social Security benefits.

Your Social Security number is used to record your earnings. Employees are encouraged to protect your Social Security record by ensuring your name and Social Security number on your pay stub and W-2 Form are correct. You may also want to make sure your earnings statement is accurate each year by requesting a Personal Earnings and Benefit Estimate Statement from the U.S. Social Security Administration by calling 1-800-772-1213 or you may even access them on-line at www.ssa.gov.

IRA Plan

Hoffman Manufacturing has an IRA Plan provided to eligible employees. Hoffman Manufacturing Corp matches the employee's investment up to 3% of their income. Each plan can be tailored through the plan adviser who is a third party company.

Leaves

Both paid and unpaid time off may be granted to eligible employees, according to the following leave policies. Please consult Geoff Hoffman for further information.

Paid Leaves

In the interest of maintaining a healthy balance between work and home, Hoffman Manufacturing offers eligible regular full-time employees paid time off.

Time off is paid using your base hourly rate, excluding shift premiums and overtime compensation, if any.

Holidays

Recognized Holidays

Regular full-time employees are eligible for holiday pay.

The following holidays are recognized by Hoffman Manufacturing as paid holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Eve
- Christmas Day
- New Year's Eve

Holiday Policies

You may take time off to observe your religious holidays. If available, a full day of unused vacation leave may be used for this purpose, otherwise you won't be paid for this time off. Please schedule the time off in advance with Geoff Hoffman.

All national holidays are scheduled on the day designated by common business practice.

In order to qualify for holiday pay, you must work the scheduled workday immediately before and after the holiday. Only excused absences will be considered exceptions to this policy.

If a holiday occurs during your scheduled vacation, you are eligible for the holiday pay.

You are not eligible to receive holiday pay when you are on an unpaid leave of absence.

Paid Time Off

Paid Time Off (PTO) may be taken as vacation time, to allow you to rest, relax, and pursue special interests. PTO may also be used during an employee's own illness, to care for an ill child, or for medical, legal or other personal business appointments which can only be scheduled during business hours. Hoffman Manufacturing has provided PTO as one of the many ways in which we show our appreciation to our employees, whom we view as our primary customers.

Only regular full-time employees are eligible to accrue PTO. Part-time employees are not eligible. PTO hours begin accruing after completing your Introductory Period.

Amount of PTO

Full-time employees are eligible for PTO for each two week pay period of service, accruing after completing your Introductory Period. Accrual is computed as follows:

Years of Employment	2 Week Accrual Rate (Hours)	Total Accrual Per Year (Hours)
Less than five (5) years	3:05	80:10
More than five (5) years	5:00	130

PTO Policies

Except in the instance of illness, all PTO must be scheduled in advance with Geoff Hoffman. Every effort will be made to grant your request for PTO at the time you desire. However, PTO cannot interfere with your department's operation and therefore must be approved by your team leader in advance. If any conflicts arise in requests for PTO, preference will be given to the first employee who requests the time off.

Normally, only accrued PTO may be taken. You may not receive advance PTO pay (for time off taken in excess of your PTO accrual balance) without written authorization from your team leader. Such authorization is at the discretion of your team leader, and must be granted in advance of your time off. Any amount of advance PTO paid but not yet accrued at the time of termination of employment, will be deducted from your final paycheck.

If you are on an approved leave of absence for less than thirty (30) days, your PTO eligibility will not be affected. If the leave extends beyond thirty (30) days, PTO will not continue to accrue.

If you have unused and accrued PTO hours upon the termination of your employment with Hoffman Manufacturing, you will be paid for that time at your regular base hourly rate.

Exceptions to this policy may be made in unusual circumstances. Each case will be considered separately by management.

Unpaid Leaves

Occasionally, for medical, personal, or other reasons, you may need to be temporarily released from the duties of your job with Hoffman Manufacturing. It is the policy of Hoffman Manufacturing to allow its eligible employees to apply for and be considered for certain specific leaves of absence.

Time off for any reason during a working day will count first against your allotted sick days or personal days, as appropriate, in hourly, quarter day, half day or full day increments. Once you have used all of your accrued sick or personal days, the time may be counted against your accrued vacation time. Thereafter, unless specifically excepted, any time off will be without pay.

Failure to return to work as scheduled from an approved leave of absence or to inform Geoff Hoffman of an acceptable reason for not returning as scheduled will be considered a voluntary resignation of employment.

All requests for leaves of absence shall be submitted in writing to Geoff Hoffman. Each request shall provide sufficient detail such as the reason for the leave, the expected duration of the leave, and the relationship of family members, if applicable.

There are several types of unpaid leaves for which you may be eligible.

Family / Medical Leave of Absence

Hoffman Manufacturing will not discriminate against employees as a result of the approved use of family care or medical leave or a proper request for such leave. Requests for family care and medical leave will be considered without regard to race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age, religion, creed, physical or mental disability, marital status or veteran status.

In general, a leave of absence is an official authorization to be absent from work without pay for a specified period of time. Eligible employees may be entitled to job-protected family or medical leaves of absence if they are unable to come to work due to pressing family or medical concerns as described within this Family / Medical Leave of Absence Policy, which shall be administered in accordance with applicable state and federal laws as follows:

1. Employees are eligible if they have been actively employed for twelve (12) months, and worked at least 1250 hours (an average of twenty-five (25) hours per week) during those twelve (12) months. This twelve- (12) month period "rolls back" from the date of leave to the prior twelve- (12) month period.
2. Employees may request one (1) or more family care or medical leaves, however, the total amount of leave taken cannot exceed twelve (12) work weeks in any twelve- (12) month period. You may request an intermittent leave or reduced schedule leave to care for a seriously ill family member of if you have a serious health condition that warrants such a request.
3. A family leave shall be granted upon the birth or adoption of a child of the employee, or upon the serious health condition of the employee's child, spouse, or parent.

4. A medical leave shall be granted upon the employee's own serious health condition.
5. In appropriate circumstances, we may require you to be examined by a company designated physician, at Hoffman Manufacturing's expense.
6. In the event of a serious health condition to the employee or his/her child, spouse, or parent, creating a need for unforeseeable family or medical leave, the employee must provide us with notice, as soon as practicable, of any needed time off, and a written doctor's certificate. The certification must include the date on which the health condition occurred, the probable duration of the condition, an estimate of the amount of time you need to be off work to care for the family member or for your own health condition, and confirmation that the nature of the condition warrants you to be away from work to care for yourself or your dependent.
7. Employees shall be required to give thirty (30) days advance notice in the event of a foreseeable medical treatment. To assist us in arranging work assignments during your absence, we ask that you give us prior notice, to the extent possible, of an expected birth or adoption, as well as an indication, to the extent known, of your expected return date. To facilitate your return to work, we also ask that you provide us with two (2) weeks advance notification of your intended return date. Failure to do so may delay your return date.
8. For purposes of this policy, a child is defined as a natural, adopted, or foster child, a stepchild or a legal ward. If the child is over eighteen (18), he/she must be unable to care for himself/herself due to a serious illness.
9. A parent is defined as the employee's or his/her spouse's natural, adoptive, or foster parent, stepparent, or legal guardian.
10. A serious health condition is defined as a disabling physical or mental illness, injury, impairment, or condition involving 1) inpatient care in a hospital, nursing home, or hospice; or 2) outpatient care requiring continuing treatment or supervision from a health care professional.
11. Leave of absence rights available to you under other sections of our policy shall be counted towards the total time off available under this section.
12. A Family Care Leave that relates to the birth or adoption of a child must be completed within twelve (12) months of the birth or adoption.
13. Upon completion of a leave granted under this section, you shall be reinstated to your original position, or an equivalent one.
14. If, due to your own medical circumstances, you are no longer able to perform your original job, we will attempt to transfer you to alternate suitable work, if available.
15. You must use any accrued vacation or other accrued paid time off, during your family care or medical leave. If the leave is related to your own serious

health condition, you must use any accrued sick leave during your medical leave.

16. While on a leave of absence provided for under this policy, we will continue your group health insurance benefits under the same terms as provided to other employees, for up to a maximum of twelve (12) weeks leave during any one (1) year period. If your leave extends beyond twelve (12) weeks, you shall be offered the opportunity to purchase continuing coverage under state and federal COBRA continuation rules.
17. Other accumulated fringe benefits such as retirement, service credits, sick pay, vacation pay, and the like, shall be preserved at the level accrued as of commencement of the leave, but shall not accrue further during any such leave period.
18. The pay allowances while on disability leave are based on an employee's length of service, as well as the state in which she/he is employed. Disability laws may vary from state to state, and at all times our disability leave policy will be in compliance with the laws of the state in which you are employed.
19. During a period of disability, you may be eligible for disability pay benefits. Please refer to the applicable plan documents for details on eligibility, benefit amounts, and other particulars.
20. If additional family care or medical leave is required you must, prior to expiration of the family care or medical leave, submit additional certification to Hoffman Manufacturing.
21. Should you seek a leave of absence for reasons other than described above, we will evaluate such a request based on particular circumstances present at that time, including but not limited to your current and anticipated work responsibilities, performance, and company needs. Hoffman Manufacturing reserves the right to refuse such a request at its sole discretion.

Disability (Including Pregnancy) Leave of Absence

Hoffman Manufacturing may grant an unpaid leave of absence for illness, disability or pregnancy. To request a disability leave of absence from Geoff Hoffman, you should submit, or have someone submit for you, a statement of ill health or disability from your doctor. (Pregnancy is treated, for the purposes of this policy, the same as an illness or disability.) An approved disability leave may be granted for up ninety (90) days. If necessary, you may request extensions in thirty (30) day increments for a maximum of one (1) year. Whenever possible, you are required to give as much notice as possible of your pending need for a disability leave of absence.

In the case of pregnancy, please inform Geoff Hoffman as soon as possible of the date you and your doctor anticipate that you will begin your leave. Your job status will be protected in that we will make every effort to hold your position open, or return you to a similar position if one is available, for which you may be qualified.

At the time the disability leave begins, any accrued personal leave or sick leave will be used. Vacation time previously accrued (but not used) at that time will also be

paid if the employee so desires. These benefits do not continue to accrue during a leave of more than thirty (30) days. This policy applies to all employees. Your group insurance booklet should be reviewed to determine your insurance coverage during a leave of absence.

Employees who must remain away from work for more than the period of time allowed above will be considered terminated from employment. They are welcome to re-apply subject to Hoffman Manufacturing's usual hiring policies.

Employees who develop an illness or physical condition which requires medical treatment or restrictions and precautions will be required to submit a physician's statement. This statement must give approval that continued full-time employment in his/her present position will not jeopardize his/her health or the safety of others, in the event she/he continues to work. A similar statement is required upon return from a disability leave.

Should your attendance or job performance suffer during the period preceding and/or following a disability leave, we will accommodate you to the extent provided by law.

Military Leave of Absence

If you are a full-time employee and are inducted into the U.S. Armed Forces, you will be eligible for re-employment after completing military service, provided:

1. You show your orders to Geoff Hoffman as soon as you receive them.
2. You satisfactorily complete your active duty service.
3. You enter the military service directly from your employment with Hoffman Manufacturing.
4. You apply for and are available for re-employment within ninety (90) days after discharge from active duty. If you are returning from up to six (6) months of active duty for training, you must apply within thirty (30) days after discharge.

Military Reserves or National Guard Leave of Absence

Employees who serve in U. S. military organizations or state militia groups may take the necessary time off without pay to fulfill this obligation, and will retain all of their legal rights for continued employment under existing laws. These employees may apply accrued personal leave and unused earned vacation time to the leave if they wish, however, they are not obliged to do so.

You are expected to notify Geoff Hoffman as soon as you are aware of the dates you will be on duty so that arrangements can be made for replacement during this absence.

Personal Leave of Absence

In special circumstances, Hoffman Manufacturing may grant a leave for a personal reason, but never for taking employment elsewhere or going into business for yourself. You should request an unpaid personal leave of absence from Geoff Hoffman. A personal leave of absence must not interfere with the operations of your department or Hoffman Manufacturing.

A personal leave of absence may be granted for up to thirty (30) days. If your leave is extended for more than thirty (30) days, vacation and other benefits will no longer continue to accrue. Consult your group insurance booklet to determine your insurance coverage during a leave of absence. Failure to return from a leave at the time agreed will result in termination of employment.

Accepting Other Employment or Going into Business While on Leave of Absence

If you accept any employment or go into business while on a leave of absence from Hoffman Manufacturing, you will be considered to have voluntarily resigned from employment with Hoffman Manufacturing as of the day on which you began your leave of absence.

Insurance Premium Payment during Leaves of Absence

Hoffman Manufacturing will continue to pay its share of insurance premiums for employee coverage for a maximum of six (6) months while you are on a disability leave of absence. While you are on any other type of unpaid leave of absence from Hoffman Manufacturing, you will be responsible for paying the total premiums for your coverage and that of your dependents. Failure to do so may result in loss of coverage and possible refusal by the insurance carrier to allow your coverage to be reinstated.

Safety

General Employee Safety

Hoffman Manufacturing is committed to the safety and health of all employees and recognizes the need to comply with regulations governing injury and accident prevention and employee safety. Maintaining a safe work environment, however, requires the continuous cooperation of all employees.

Hoffman Manufacturing will maintain safety and health practices consistent with the needs of our industry. If you are ever in doubt about how to safely perform a job, it is your responsibility to ask your team leader for assistance. Any suspected unsafe conditions and all injuries that occur on the job must be reported immediately. Compliance with these safety rules is considered a condition of employment. Therefore, it is a requirement that each team leader make the safety of employees an integral part of her/his regular management functions. It is the responsibility of each employee to accept and follow established safety regulations and procedures.

Hoffman Manufacturing strongly encourages you to communicate with your team leader regarding safety issues.

Reporting Safety Issues

All accidents, injuries, potential safety hazards, safety suggestions and health and safety related issues must be reported immediately to Geoff Hoffman. If you or another employee is injured, you should contact outside emergency response agencies, if needed. If an injury does not require medical attention, a Supervisor and Employee Report of Accident Form must still be completed in case medical treatment is later needed and to insure that any existing safety hazards are corrected. The Employee's Claim for Worker's Compensation Benefits Form must be completed in all cases in which an injury requiring medical attention has occurred.

Federal law (Occupational Safety and Health Administration) requires that we keep records of all illnesses and accidents which occur during the workday. The Wisconsin state Workers' Compensation Act also requires that you report any workplace illness or injury, no matter how slight. If you fail to report an injury, you may jeopardize your right to collect workers' compensation payments as well as health benefits. OSHA also provides for your right to know about any health hazards which might be present on the job. Should you have any questions or concerns, contact Geoff Hoffman for more information.

Entering and Leaving the Premises

At the time you are hired, you will be advised about the proper entrances and exits for our employees, as well as unauthorized areas, if any. Our insurance company prohibits unescorted or unauthorized visitors in our facility. If you are expecting visitors, such as clients, customers or friends, please notify your team leader. You are expected to abide by these rules at all times. Failure to do so will lead to disciplinary action.

Security Checks

Hoffman Manufacturing may exercise its right to inspect all packages and parcels entering and leaving our premises.

Parking Lot

You are encouraged to use the parking areas designated for our employees. Please keep in mind that the parking spaces at the side of our building are for customers and visitors only.

Courtesy and common sense in parking will help eliminate accidents, personal injuries, and damage to your vehicle and to the vehicles of other employees. If you should damage another car while parking or leaving, immediately report the incident, along with the license numbers of both vehicles and any other pertinent information you may have, to Geoff Hoffman.

Hoffman Manufacturing cannot be and is not responsible for any loss, theft or damage to your vehicle or any of its contents.

Safety Rules

Safety is everybody's business. Safety is to be given primary importance in every aspect of planning and performing all Hoffman Manufacturing activities. We want to protect you against industrial injury and illness, as well as minimize the potential loss of production.

Below are some general safety rules to assist you in making safety a regular part of your work. Your team leader may post other safety procedures in your department or work area.

Working Safely

Safety is everyone's responsibility. Remind your co-workers about safe work methods. Start work on any machine only after safety procedures and requirements have been explained. Immediately report any suspected hazards and all accidents to your team leader.

Lifting

Ask for assistance when lifting heavy objects or moving heavy furniture. Bend your knees, get a firm grip on the object, hold it close to your body and space your feet for good balance. Lift using your stronger leg muscles, not your weaker back muscles.

Materials Handling

Do not throw objects. Always carry or pass them. Use flammable items, such as cleaning fluids, with caution. Also, stack materials only to safe heights.

Trash Disposal

Keep sharp objects and dangerous substances out of the trash can. Items that require special handling should be disposed of in approved containers.

Cleaning Up

To prevent slips and tripping, clean up spills and pick up debris immediately.

Preventing Falls

Keep aisles, work places and stairways clean, clear and well lighted. Walk, don't run. Watch your step.

Handling Tools

Exercise caution when handling objects and tools. Do not use broken, defective or greasy tools. Use tools for their intended purpose only. Wear safety glasses or goggles at all times on the production floor.

Falling Objects

Store objects and tools where they won't fall. Do not store heavy objects or glass on high shelves.

Work Areas

Keep cabinet doors and file and desk drawers closed when not in use. Remove or pad torn, sharp corners and edges. Open only one drawer at a time.

Using Ladders

Place ladders securely. Do not stand on boxes, chairs or other devices not intended to be used as ladders.

Machine Guards

Keep guards in place at all times. Do not clean machinery while it is running. Lock all disconnect switches while making repairs or cleaning.

Personal Protective Equipment

Always wear or use appropriate safety equipment as required in your work. Wear appropriate personal protective equipment, like shoes, hats, gloves, goggles, spats and hearing protectors in designated areas or when working on an operation which is potentially hazardous. Also, wear gloves whenever handling castings, scrap, or barrels.

Electrical Hazards

Do not stand on a wet floor while using any electrical apparatus. Keep extension cords in good repair. Don't make unauthorized connections or repairs. Do not overload outlets.

Fire Extinguishers

Know where fire extinguishers are and how to use them.

Report Injuries

Immediately report all injuries, no matter how slight, to Geoff Hoffman.

Ask Questions

If you are ever in doubt regarding the safe way to perform a task, please do not proceed until you have consulted a team leader. Employees will not be asked to perform any task which may be dangerous to their health, safety or security. If you feel a task may be dangerous, inform your team leader at once.

We strongly encourage employee participation and your input on health and safety matters. Employees may report potential hazards and make suggestions about safety without fear of retaliation. We appreciate, encourage and expect this type of involvement! The success of the safety program relies on the participation of all employees. Though it is Hoffman Manufacturing's responsibility to provide for the safety, health and security of its workers during working hours, it is the responsibility of each employee to abide by the rules, regulations and guidelines set forth.

Remember, failure to adhere to these rules will be considered serious infractions of safety rules and will result in disciplinary actions.

Weapons

Hoffman Manufacturing believes it is important to establish a clear policy that addresses weapons in the workplace. Specifically, Hoffman Manufacturing prohibits all persons who enter company property from carrying a handgun, firearm, knife, or other prohibited weapon of any kind regardless of whether the person is licensed to carry the weapon or not.

The only exception to this policy will be police officers, security guards or other persons who have been given written consent by Hoffman Manufacturing to carry a weapon on the property.

Any employee disregarding this policy will be subject to immediate termination.

Fire Prevention

Know the location of the fire extinguisher(s) in your area and make sure they are kept clear at all times. Notify Geoff Hoffman if any extinguisher is used or if the seal is broken. Keep in mind that extinguishers that are rated ABC can be used for paper,

wood, or electrical fires. Make sure all flammable liquids, such as alcohol, are stored in approved and appropriately labeled safety cans and are not exposed to any ignition source.

In Case of Fire

If you are aware of a fire, you should:

- Dial 911 or the local fire department.
- If possible, immediately contact your team leader. Evacuate all employees from the area.
- If the fire is small and contained, locate the nearest fire extinguisher. This should only be attempted by employees who are knowledgeable in the correct use of fire extinguishers.
- If the fire is out of control, leave the area immediately. No attempt should be made to fight the fire.

When the fire department arrives, direct the crew to the fire. Do not re-enter the building until directed to do so by the fire department.

Emergency Evacuation

If you are advised to evacuate the building, you should:

- Stop all work immediately.
- Contact outside emergency response agencies, if needed.
- Shut off all electrical equipment and machines, if possible.
- Walk to the nearest exit, including emergency exit doors.
- Exit quickly, but do not run. Do not stop for personal belongings.
- Proceed, in an orderly fashion, to the parking lot. Be present and accounted for during roll call.

Do not re-enter the building until instructed to do so.

Housekeeping

Neatness and good housekeeping are signs of efficiency. You are expected to keep your work area neat and orderly at all times - it is a required safety precaution.

If you spill a liquid, clean it up immediately. Do not leave tools, materials, or other objects on the floor which may cause others to trip or fall. Keep aisles, stairways, exits, electrical panels, fire extinguishers, and doorways clear at all times.

Easily accessible trash receptacles and recycling containers are located throughout the building. Please put all litter and recyclable materials in the appropriate receptacles and containers. Always be aware of good health and safety standards, including fire and loss prevention.

Please report anything that needs repairing or replacing to your team leader immediately.

Office Safety

Office areas present their own safety hazards. Please be sure to:

- Leave desk, file or cabinet drawers firmly closed when not in use.
- Open only a single drawer of a file cabinet at a time.
- Arrange office space to avoid tripping hazards, such as telephone cords or calculator electrical cords.
- Remember to lift things carefully and to use proper lifting techniques.

Property and Equipment Care

It is your responsibility to understand the machines needed to perform your duties. Good care of any machine that you use during the course of your employment, as well as the conservative use of supplies, will benefit you and Hoffman Manufacturing. If you find that a machine is not working properly or in any way appears unsafe, please notify your team leader immediately so that repairs or adjustments may be made. Under no circumstances should you start or operate a machine you deem unsafe, nor should you adjust or modify the safeguards provided.

Do not attempt to use any machine or equipment you do not know how to operate, or if you have not completed training on the proper use of the machine or equipment.

Safety Rules When Operating Machines and Equipment

When operating machines and equipment, please be sure to follow these procedures:

- Make sure machine guards are in place while machines are in operation.
- Remove loose clothing, jewelry or rings before operating machinery.

We will continue to provide a clean, safe and healthy place to work and we will provide the best equipment possible. You are expected to work safely, to observe all safety rules and to keep the premises clean and neat. Remember that carelessly endangering yourself or others may lead to disciplinary action, including possible termination.

Security

Maintaining the security of Hoffman Manufacturing buildings and vehicles is every employee's responsibility. Develop habits that insure security as a matter of course. For example:

- Always keep cash properly secured. If you are aware that cash is insecurely stored, immediately inform the person responsible.
- Know the location of all fire extinguishers, and familiarize yourself with the proper procedure for using them, should the need arise.
- When you leave Hoffman Manufacturing's premises make sure that all entrances are properly locked and secured.

Smoking

Smoke is not permitted anywhere inside the building.

Please remember to conform to our customer's smoking policies when working at a customer's site.

All employees are expected to abide by this policy while at work.

Smoking is permitted on the property outside the building. Never litter a cigarette butt on the ground outside the building. Cigarette butt disposal canisters are located outside the shipping door and the back employee door.

Separation of Employment

Termination

Hoffman Manufacturing operates under the principle of at-will employment. This means that neither you nor Hoffman Manufacturing has entered into a contract regarding the duration of your employment. You are free to terminate your employment with Hoffman Manufacturing at any time, with or without reason. Likewise, Hoffman Manufacturing has the right to terminate your employment, or otherwise discipline, transfer, or demote you at any time, with or without reason, at the discretion of Hoffman Manufacturing.

Hoffman Manufacturing hopes and expects that you will give at least two (2) weeks notice in the event of your resignation. Any accrued but unused PTO will be paid out at the time of employment termination.

Insurance Conversion Privileges

According to the federal Consolidated Omnibus Budget Reconciliated Act (COBRA) of 1985, in the event of your termination of employment with Hoffman Manufacturing or loss of eligibility to remain covered under our group health insurance program, you and your eligible dependents may have the right to continued coverage under our health insurance program for a limited period of time at your own expense.

At your exit interview or upon termination, you will learn how you can continue your insurance coverage and any other benefits you currently have as an employee who is eligible for continuation. Consult Geoff Hoffman for additional details.

Exit Interviews

In a termination situation, Hoffman Manufacturing management would like to conduct an exit interview to discuss your reasons for leaving and any other impressions that you may have about Hoffman Manufacturing. During the exit interview, you can provide insights into areas for improvement that Hoffman Manufacturing can make. Every attempt will be made to keep all information confidential.

Return of Company Property

Any Hoffman Manufacturing property issued to you, such as product samples, computer equipment, keys, or company credit card must be returned to Hoffman Manufacturing at the time of your termination. You will be responsible for any lost or damaged items. The value of any property issued and not returned may be deducted from your paycheck, and you may be required to sign a wage deduction authorization form for this purpose.

Former Employees

Depending on the circumstances, Hoffman Manufacturing may consider a former employee for re-employment. Such applicants are subject to Hoffman Manufacturing's usual pre-employment procedures. To be considered, an applicant must have been in good standing at the time of their previous termination of employment with Hoffman Manufacturing.

Reinstatement of Benefits (Bridging)

If you were an employee of Hoffman Manufacturing with at least twelve (12) months of continuous employment, and were rehired within twelve (12) months of your termination date, you will be eligible to continue your benefits at the level you enjoyed at the time of your termination of previous employment with Hoffman Manufacturing.

Post-Employment Inquiries

Hoffman Manufacturing does not respond to oral requests for references. In the event your employment with Hoffman Manufacturing is terminated, either voluntarily or involuntarily, Geoff Hoffman may be able to provide a reference to potential employers only if you have completed and signed a release form.

As an employee of Hoffman Manufacturing, do not under any circumstances respond to any requests for information regarding another employee unless it is part of your assigned job responsibilities.

Workplace Policies

This Employee Manual is designed to answer many of your questions about the practices and policies of Hoffman Manufacturing. Feel free to consult with Geoff Hoffman for help concerning anything you don't understand.

Communications

Successful working conditions and relationships depend upon successful communication. Not only do you need to stay aware of changes in procedures, policies and general information, you also need to communicate your ideas, suggestions, personal goals or problems as they affect your work.

In addition to the exchanges of information and expressions of ideas and attitudes which occur daily, make certain you are aware of and utilize all Hoffman Manufacturing methods of communication, including this Employee Manual, bulletin boards, discussions with your team leader and Geoff Hoffman, memoranda, staff meetings, newsletters, training sessions, and company e-mail and intranet.

You will receive other information booklets, such as your insurance booklets, from time to time. You may take these booklets home so that your family may know more about your job and your benefits.

Computer Software (Unauthorized Copying)

Hoffman Manufacturing does not condone the illegal duplication of software. The copyright law is clear. The copyright holder is given certain exclusive rights, including the right to make and distribute copies. Title 17 of the U.S. Code states that "it is illegal to make or distribute copies of copyrighted material without authorization" (Section 106). The only exception is the users' right to make a backup copy for archival purposes (Section 117).

The law protects the exclusive rights of the copyright holder and does not give users the right to copy software unless a backup copy is not provided by the manufacturer. Unauthorized duplication of software is a federal crime. Penalties include fines up to and including \$250,000, and jail terms of up to five (5) years.

Even the users of unlawful copies suffer from their own illegal actions. They receive no documentation, no customer support and no information about product updates.

1. Hoffman Manufacturing licenses the use of computer software from a variety of outside companies. Hoffman Manufacturing does not own this software or its related documentation and, unless authorized by the software manufacturer, does not have the right to reproduce it.
2. With regard to use on local area networks or on multiple machines, Hoffman Manufacturing employees shall use the software only in accordance with the software publisher's license agreement.

3. Hoffman Manufacturing employees learning of any misuse of software or related documentation within the company must notify Geoff Hoffman immediately.
4. According to the U.S. Copyright Law, illegal reproduction of software can be subject to civil damages and criminal penalties, including fines and imprisonment. Hoffman Manufacturing employees who make, acquire or use unauthorized copies of computer software shall be disciplined as appropriate under the circumstances. Such discipline may include termination.

Computers, Electronic Mail, and Voice Mail Usage Policy

Hoffman Manufacturing makes every effort to provide the best available technology to those performing services for Hoffman Manufacturing. In this regard, Hoffman Manufacturing has installed, at substantial expense, equipment such as computers, electronic mail, and voice mail. This policy is to advise those who use our business equipment on the subject of access to and disclosure of computer-stored information, voice mail messages and electronic mail messages created, sent or received by Hoffman Manufacturing's employees with the use of Hoffman Manufacturing's equipment.

This policy also sets forth policies on the proper use of the computer, voice mail, and electronic mail systems provided by Hoffman Manufacturing.

Hoffman Manufacturing property, including computers, electronic mail and voice mail, should only be used for conducting company business.

Incidental and occasional personal use of company computers and our voice mail and electronic mail systems is permitted, but information and messages stored in these systems will be treated no differently from other business-related information and messages, as described below.

The use of the electronic mail system may not be used to solicit for commercial ventures, religious or political causes, outside organizations, or other non-job related solicitations. Furthermore, the electronic mail system is not to be used to create any offensive or disruptive messages. Among those which are considered offensive, are any messages which contain sexual implications, racial slurs, gender-specific comments, or any other comments that offensively address someone's age, sexual orientation, religious or political beliefs, national origin, or disability. In addition, the electronic mail system shall not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary financial information, or similar materials without prior authorization.

Although Hoffman Manufacturing provides certain codes to restrict access to computers, voice mail and electronic mail to protect these systems against external parties or entities obtaining unauthorized access, employees should understand that these systems are intended for business use, and all computer information, voice mail and electronic mail messages are to be considered as company records.

Hoffman Manufacturing also needs to be able to respond to proper requests resulting from legal proceedings that call for electronically-stored evidence. Therefore, Hoffman Manufacturing must, and does, maintain the right and the ability to enter

into any of these systems and to inspect and review any and all data recorded in those systems. Because Hoffman Manufacturing reserves the right to obtain access to all voice mail and electronic mail messages left on or transmitted over these systems, employees should not assume that such messages are private and confidential or that Hoffman Manufacturing or its designated representatives will not have a need to access and review this information. Individuals using Hoffman Manufacturing's business equipment should also have no expectation that any information stored on their computer - whether the information is contained on a computer hard drive, computer disks or in any other manner - will be private.

Hoffman Manufacturing has the right to, but does not regularly monitor voice mail or electronic mail messages. Hoffman Manufacturing will, however, inspect the contents of computers, voice mail or electronic mail in the course of an investigation triggered by indications of unacceptable behavior or as necessary to locate needed information that is not more readily available by some other less intrusive means.

The contents of computers, voice mail, and electronic mail, properly obtained for some legitimate business purpose, may be disclosed by Hoffman Manufacturing if necessary within or outside of Hoffman Manufacturing.

Given Hoffman Manufacturing's right to retrieve and read any electronic mail messages, such messages should be treated as confidential by other employees and accessed only by the intended recipient.

Hoffman Manufacturing's President will review any request for access to the contents of an individual's computer, voice mail, or electronic mail prior to access being made without the individual's consent.

Any employee who violates this policy or uses the electronic communication systems for improper purposes may be subject to discipline, up to and including termination.

Dress Code and Personal Appearance

Please understand that you are expected to dress and groom yourself in accordance with accepted social and business standards, particularly if your job involves dealing with customers or visitors in person.

A neat, tasteful appearance contributes to the positive impression you make on our customers. You are expected to be suitably attired and groomed during working hours or when representing Hoffman Manufacturing. A good, clean appearance bolsters your own poise and self-confidence and greatly enhances our company image. When working at a customer's site, please dress appropriately according to their corporate culture.

Personal appearance should be a matter of concern for each employee. If your team leader feels your attire and/or grooming is out of place, you may be asked to leave your workplace until you are properly attired and/or groomed. Employees who violate dress code standards may be subject to appropriate disciplinary action.

Keep in mind the discomfort your team leader would feel if she/he had to address this issue with you.

Drug-Free Workplace Policy

Hoffman Manufacturing is a community in which responsibilities and freedoms are governed by policies and codes of behavior, including penalties for violations of these standards as stated in your Employee Manual. Hoffman Manufacturing has a standard of conduct which prohibits the unlawful possession, use, or distribution of illicit drugs and alcohol by employees on Hoffman Manufacturing's site and/or client sites or as a part of Hoffman Manufacturing's activities. Hoffman Manufacturing will impose disciplinary sanctions on employees ranging from educational and rehabilitation efforts up to and including expulsion or termination of employment and referral for prosecution for violations of the standards of conduct. Each situation will be looked at on a case-by-case basis.

It is the goal of Hoffman Manufacturing to maintain a drug-free workplace. To that end, and in the spirit of the Drug-Free Workplace Act of 1988, Hoffman Manufacturing has adopted the following policies:

1. The unlawful manufacture, possession, distribution, or use of controlled substances is prohibited in the workplace.
2. Employees who violate this prohibition are subject to corrective or disciplinary action as deemed appropriate, up to and including termination.
3. As an on-going condition of employment, employees are required to abide by this prohibition and to notify, in writing and within five (5) days of the violation, Geoff Hoffman of any criminal drug statute conviction they receive.
4. If an employee receives such a conviction Hoffman Manufacturing shall require the employee to participate satisfactorily in an approved drug-abuse assistance or treatment program.
5. Hoffman Manufacturing provides information about drug counseling and treatment.
6. Hoffman Manufacturing reserves the right to search and inspect for the maintenance of a safe workplace.

Health Risks of Alcohol and Other Drug Use

Even though specific physical and mental responses to alcohol and drug use differ, the consequences for using either are usually similar. Negative health reactions can result from both abusive and moderate use of any substance. While on-going health problems are often associated with long-term misuse and abuse, acute and traumatic instances can occur from one-time or moderate use.

Alcohol

Ten (10) percent of adults can be classified as heavy drinkers. That is, they consume an average of two or more drinks per day. Virtually all body systems are affected by the long-term abuse of alcohol. Heavy constant consumption may result in hangovers and serious health consequences. Another sixty (60) percent of the population are moderate drinkers. The most common negative health consequences from occasional drinking are trauma related and involve both the drinker and non-

drinker victims. The consumption of alcohol is involved in 200,000 deaths in this country per year, ten (10) percent of the US annual mortality. Half of all traffic deaths are alcohol related and driving under the influence is the number one killer of American teenagers.

Narcotics

The most serious medical consequences of opiate abuse is toxic reaction, more commonly known as overdose. Generally incurred accidentally, overdose leads to death when the respiratory and circulatory systems slow down to the point of ceasing to function. More common health consequences of opiate abuse occur not from the chemicals themselves, but from the lifestyles that frequently accompany their use.

Hypnotics and Anti-Anxiety Drugs

Such prescription medications as Nembutal, Seconal, Quaalude, Miltown and Equanil have serious negative health consequences when abused. The most common is toxic overdose which results in depressed central nervous systems, cardiac and respiratory functioning.

Stimulants

Abusers of stimulant drugs are more likely to experience drug-induced psychiatric disturbances than are other abusers. Differences in health-related responses to stimulant drugs are dependent on the mode of ingestion. Nasal and intravenous use create more acute responses than does oral use.

Marijuana

Chronic long-term use affects most body systems resulting in bronchitis and other respiratory difficulties, decreased strength of heart contractions, possible negative consequences on the immune system, acute memory impairment, and possible reduction on growth-hormone production. Episodic use of marijuana can result in panic reactions including feelings of anxiety, fears of losing control or going crazy, or fears of physical illness.

Hallucinogens

The most common health-related responses to hallucinogen use include panic reactions, flashbacks and toxic reactions with ingestion of high levels of some compounds.

Legal Implications of Alcohol and Other Drug Use

A variety of implications surround the use of alcohol and other drugs. This summary is designed to alert you to some of the legal risks you assume when you use alcohol or other drugs. Penalties for illegal use will also be described. However, this summary is only a descriptive document. It should not be interpreted as legal advice or counsel. The regulations summarized here are those most likely to affect employees of Hoffman Manufacturing.

Possession and Use

Check with city or county counsels' offices for specifics of alcohol consumption and use, as maximum levels differ from location to location.

Anyone under twenty-one (21) years of age who buys alcohol is committing a misdemeanor. It is also an infraction of the law for a minor to attempt to buy alcohol.

Public intoxication which interferes with the personal safety or use of public ways is a misdemeanor crime.

It is unlawful to drive a motor vehicle or ride a bicycle on a highway with a blood alcohol content (BAC) level of .08 percent or above. Punishment is greater if a child fourteen (14) years of age is in the vehicle at the time.

It is unlawful for a person under the age of eighteen (18) who has a BAC of .05 percent or more to drive a vehicle.

The act of driving implies consent to be tested for BAC.

It is unlawful to operate a water vessel, to water ski, or to use an aquaplane, with a BAC of .05 percent if the operator is under eighteen (18) years of age.

It is unlawful to operate an aircraft in the air or on the ground or engage in sport parachuting with a BAC of more than .04 percent.

Marriage licenses will not be issued to applicants under the influence of alcohol or other drugs.

It is unlawful to manufacture controlled substances in the home or in any other unregulated facility.

Growing or processing peyote is punishable by imprisonment in the county jail for not more than one (1) year.

It is a felony to use alcohol or drugs to aid the commission of a felony, including rape and other sex offenses.

Applicants for professional licenses must not be addicted to alcohol or other drugs at the time of application.

Distribution

It is a misdemeanor crime to sell, give or furnish alcohol to anyone under twenty-one (21) years of age.

It is a misdemeanor crime to sell or furnish alcohol to a common drunkard or incompetent.

Only eating establishments and holders of retail liquor licenses may sell or expose for sale alcoholic beverages within one (1) mile of a university or state college.

It is unlawful for sellers of alcoholic beverages by the drink to employ a person for the purpose of encouraging the sale of such beverages.

Manufacture, distribution and receipt of "imitation controlled substances" or any drug that is falsely advertised, adulterated or misbranded is unlawful.

Possession of paraphernalia is unlawful as is providing a minor with paraphernalia for the ingestion of tobacco or any controlled substance.

It is illegal to use the postal service or other interstate conveyance to offer to sell or transport, import or export paraphernalia.

It is unlawful to import controlled substances except for medical or scientific purposes.

It is unlawful to export controlled substances to any country that has a treaty with the United States prohibiting such export. Penalties vary depending on the country involved.

Consequences

Carriers of motor vehicle insurance can increase premiums, or cancel or deny renewal as a result of driving under the influence convictions.

In certain cases employers' motor vehicle coverage can also be canceled or renewal denied if employees have been convicted of driving under the influence of alcohol or other drugs.

The Department of Motor Vehicles may refuse or revoke driver's licenses of practicing alcoholics or addicts or those convicted of alcohol or drug related offenses.

Refusal to submit to blood alcohol content tests will result in a six-month suspension of driving privileges, two-year suspension if there has been a prior such offense within seven years, and three-year suspension for two or more offenses within seven (7) years. In such cases, vehicles can also be impounded and sold as nuisances.

Employers may refuse to hire or may fire an employee who cannot perform job duties or endangers his/her or others' health or safety due to current use of alcohol or other drugs.

State disability retirement allowances are not paid if the disability is due to the intemperate use of alcohol or other drugs.

No addict or person in danger of becoming an addict may be employed as a peace officer.

Drunkenness on duty, intemperance or addiction are causes for discipline for any employee.

Examinations for certifications can be refused and certifications withdrawn by the State Personnel Board for anyone who is addicted to alcohol or other drugs.

Discharge from employment "as a result of an irresistible compulsion to use or consume intoxicants" disqualifies claimants from receiving unemployment benefits, as does any institutionalization as a drug addict.

Disability insurance benefits may be denied "for any loss sustained or contracted in consequence of the insured's being intoxicated or under the influence of any controlled substances unless administered on the advice of a physician."

Permanent or probationary employees of Hoffman Manufacturing may be terminated, demoted, or suspended for addiction to controlled substances or drunkenness in the workplace.

Penalties for the manufacturer, distribution or dispensing of, or possession with intent to manufacture, illegal drugs vary significantly depending on the substance and the amount in question. Both fines and incarceration are imposed.

Drug traffickers lose federal benefits for five (5) to ten (10) years to life after conviction. Drug possessors lose benefits for up to one (1) year and can be required to enter treatment, undergo testing and/or perform community service.

Where to Get Help

A number of community resources are available to help you, including:

Community Resources
Employee Assistance Program
Alcoholics Anonymous
Narcotics Anonymous
National Council on Alcoholism and Drug Dependence
County Bureau of Alcohol and Drug Services

This document is intended solely as a resource. Hoffman Manufacturing does not endorse programs and/or agencies listed on this document and accepts no responsibility for treatment provided by these agencies/programs, nor does it guarantee insurance coverage of treatment.

This document is not a comprehensive listing of alcohol/chemical dependency treatment programs. Other sources for both in-patient and out-patient alcohol/chemical dependency treatment programs may be located by consulting your family physician, local telephone directory under the heading "Drug Treatment Programs," or through the National Council on Alcoholism and Drug Dependence at 212-206-6770.

Expense Reimbursement

You must have your team leader's or Geoff Hoffman's written authorization (usually by way of a requisition or purchase order) prior to incurring an expense on behalf of Hoffman Manufacturing. To be reimbursed for all authorized expenses, you must submit an expense report or voucher accompanied by receipts and it must be approved by Geoff Hoffman. Please submit your expense report or voucher each week, as you incur authorized reimbursable expenses. In order for Hoffman Manufacturing to keep records and accounting accurate and current, expense reports

or vouchers older than three (3) months old may not be honored. If the cost is directly job related, please put the job name or work order number on the receipt.

If you are asked to conduct company business using your personal vehicle, you will be reimbursed at the rate of 44.5 cents per mile. Please submit this expense on your weekly expense report or voucher.

Gifts

Advance approval from management is required before an employee may accept or solicit a gift of any kind from a customer, supplier or vendor representative. Employees are not permitted to give unauthorized gifts to customers or suppliers, except for certain promotional "premiums" (such as t-shirts, coffee mugs, pens or key chains) imprinted with the Hoffman Manufacturing logo or sales information.

Personal Use of Company Property

In some instances, employees may be allowed to borrow certain Hoffman Manufacturing tools or equipment for their own personal use while on our premises. In no instance may this be done off our premises, or without prior management approval. You understand and agree that Hoffman Manufacturing is not liable for personal injury incurred during the use of company property for personal projects. As a Hoffman Manufacturing employee, you accept full responsibility for any and all liabilities for injuries or losses which occur, or for the malfunction of equipment. You are responsible for returning the equipment or tools in good condition, and you agree that you are required to pay for any damages that occur while using the equipment or tools for personal projects.

Pets at Work

Dogs are only permitted at work on weekends and during company holidays. Hoffman Manufacturing has outlined the following rules that we request all dog owners abide by:

1. Dogs should stay with their owner or designated dogsitter at all times and should preferably remain in the employee's office.
2. Dogs must be kept at home if she/he is infested with fleas, ticks or worms.
3. Dogs are not allowed in restrooms or eating facilities.
4. Owners are responsible for cleaning up after any accident that their dog may have. This includes carpet sterilization if necessary.
5. If a dog has three accidents inside the building, it will have to stay at home until the owner can prove the dog has been properly housebroken.
6. Owners have complete responsibility for feeding, watering, walking, and cleaning up after their pets. This responsibility may not be required of lower level employees or administrative assistants.

7. Any incident of aggressive behavior by a dog to another dog or a human is unacceptable and the offending dog may not return to work. For this reason, we encourage all dogs brought to work to be spayed or neutered.
8. Loud, repetitive barking will not be tolerated.
9. Please respect any employee who is allergic to dogs. If you share an office or workspace with an allergic employee, please do not bring your dog to work.

Recycling, Waste Prevention and Conservation

Hoffman Manufacturing actively recycles as many materials as possible:

Acceptable

Please place the following items in the proper recycling bins:

- Aluminum
- Computer paper (pin-fed, single sheet, green or blue bar and plain white)
- White ledger (bleached bond, white copier paper, envelopes and adding machine tape)
- Laser printer cartridges
- Newspapers
- Plastic
- Shipping cartons and packing materials

Unacceptable

Please keep the following contaminants out of the recycling bins:

- Food

Exceptions:

- Metal paper clips and staples may be left on the paper.

Just a Few Reasons for Recycling

Solid Waste

It has been estimated that each man, woman, and child produces an average of four (4) pounds of trash every day, almost 1,500 pounds a year. Most of this garbage gets buried in a landfill, and we are running out of landfill space at an alarming rate. Paper makes up about twenty-five (25) percent of many cities' garbage, much of which could be diverted through office paper recycling programs.

Paper Production

As many as seventeen (17) small trees are required to make one (1) ton of paper. Recycling slows the demand for virgin timber fibers and lessens the strain on our forest resources.

Energy Conservation

Up to sixty-four (64) percent less energy is required to produce paper from waste paper instead of from virgin wood pulp. In the case of office paper, the equivalent of almost three (3) barrels of oil is saved for every one (1) ton of paper recycled.

Air and Water Pollution

The manufacturing of paper from used paper instead of from trees produces almost sixty (60) percent less air and water pollution.

Water Conservation

The manufacturing of recycled paper uses only one-half of the water that is required in the manufacturing of virgin paper.

Relatives

If you and members of your family are employed by Hoffman Manufacturing, one may not supervise the other nor work in the same department. If the employees are unable to develop a workable solution, the President of Hoffman Manufacturing will decide which employee may be transferred in such situations. Family members include the employee's spouse, child, parent, parent-in-law, grandparent, grandparent-in-law, granddaughter, grandson, daughter-in-law, son-in-law, step-parent, domestic partner (a person with whom the employee's life is interdependent and with whom the employee shares a mutual residence), brother, sister, brother-in-law, sister-in-law, daughter or son of the employee's spouse or domestic partner, and any relative living in the household of the employee or domestic partner.

Should two employees who work together or supervise each other enter into a personal, non-work related relationship, one or both employees may have to be transferred.

Spouse Accepts Employment - or works for a Competitor

Should your spouse be employed with a Hoffman Manufacturing competitor, Hoffman Manufacturing reserves the right not to hire you or to terminate your employment.

Use of Company Vehicle

If you are authorized to operate a Hoffman Manufacturing vehicle in the course of your assigned work, or if you operate your own vehicle in performing your job, you must adhere to the following rules:

1. You must be a Wisconsin licensed driver.
2. You must maintain weekly mileage reports.
3. You are responsible for following all the manufacturer's recommended maintenance schedules to maintain valid warranties, and for following the manufacturer's recommended oil change schedule.

4. Hoffman Manufacturing provides insurance on company vehicles, however, you will be considered completely responsible for any accidents, fines, moving or parking violations incurred.
5. You must keep the vehicle clean at all times. You must also wash and vacuum the vehicle as often as necessary. You will be reimbursed for your reasonable expense of keeping the vehicle clean. Please retain any receipts for reimbursement.
6. Persons not authorized or employed by Hoffman Manufacturing cannot operate or ride in a company vehicle.

Violence in the Workplace Policy

Hoffman Manufacturing has adopted a policy prohibiting workplace violence. Consistent with this policy, acts or threats of physical violence, including intimidation, harassment, and/or coercion, which involve or affect Hoffman Manufacturing or which occur on Hoffman Manufacturing property will not be tolerated.

Acts or threats of violence include conduct which is sufficiently severe, offensive, or intimidating to alter the employment conditions at Hoffman Manufacturing, or to create a hostile, abusive, or intimidating work environment for one or several employees. Examples of workplace violence include, but are not limited to, the following:

1. All threats or acts of violence occurring on Hoffman Manufacturing's premises, regardless of the relationship between Hoffman Manufacturing and the parties involved.
2. All threats or acts of violence occurring off Hoffman Manufacturing's premises involving someone who is acting in the capacity of a representative of Hoffman Manufacturing.

Specific examples of conduct which may be considered threats or acts of violence include, but are not limited to, the following:

1. Hitting or shoving an individual.
2. Threatening an individual or his/her family, friends, associates, or property with harm.
3. Intentional destruction or threatening to destruct Hoffman Manufacturing's property.
4. Making harassing or threatening phone calls.
5. Harassing surveillance or stalking (following or watching someone).
6. Unauthorized possession or inappropriate use of firearms or weapons.

Hoffman Manufacturing prohibition against threats and acts of violence applies to all persons involved in Hoffman Manufacturing's operation, including but not limited to personnel, contract, and temporary workers and anyone else on Hoffman Manufacturing property. Violations of this policy by any individual on Hoffman Manufacturing property will lead to disciplinary action, up to and including termination and/or legal action as appropriate.

Every employee is encouraged to report incidents of threats or acts of physical violence of which he/she is aware. The report should be made to Geoff Hoffman.