



Employee Handbook

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Forward

This Employee Handbook is designed to communicate the policies and procedures of Speck Pumps to all of its employees. If you have any questions, please ask your supervisor or Human Resources who can provide additional information, if necessary.

It is Speck Pumps' intention that this Handbook complies in all respects with applicable law. Periodically, Speck Pumps may need to revise specific policies or the entire Handbook as changes in federal, state and local law occur.

The Employee Handbook is intended to be a guide to benefits and work rules only. **It is not a contract of employment.** Nothing in this Handbook is intended to create a contractual right of continued employment with Speck Pumps. Employment at Speck Pumps is at-will, which means that either Speck Pumps or the employee may terminate the employment relationship, at any time, for any reason. Only the President has the sole authority to enter into written contracts with employees.

Company History

In the spring of 1909, master mechanic Daniel Speck, together with his five sons, founded the family business Daniel Speck & Sons in Nuremberg, Germany. In the same year they manufactured their first plunger pump with draining device and put it on the market.

1909	The original company was founded
1959	Formation of the sales company in Germany
1964	SPECK swimming pool technology is launched, well-known today for products such as the BADU® series pumps and Swim Jet Systems
1967	The world's first corrosion-resistant plastic pump for private swimming pools is introduced
1983	Speck Pumps-Pool Products Inc. founded in Jacksonville, FL
1994	Hermann Speck, great-grandson of the company's founder, takes over
2001	Speck Pumps-Pool Products Inc. moves into facility in Baymeadows
2004	Move from Lauf to Neunkirchen am Sand: (Total area approx. 400,000 sq. ft.)
2008	Speck Pumps-Pool Products Inc. doubles facility to 44,000 sq.ft.
2008	Beginning of the assembly of BADU® Block and Normblock pumps onsite in Neunkirchen am Sand
2014	Speck Pumps-Pool Products, Inc. expands sales force to include three dedicated outside sales personnel.

BADU is a registered Trade Mark of Speck Pumps-Pool Products, Inc.

Subject: Time-Off
Organization: Speck Pumps
Attendance and Time Off Policies-001-0117

Absenteeism and Tardiness

Attendance and punctuality are very important parts of the employee job performance. Absenteeism places a burden on other employees who have to perform an absent employee's duties. Absenteeism can cause scheduling problems for departments and can adversely affect our ability to serve our customers. For these reasons, excessive absenteeism will not be tolerated.

Absenteeism and tardiness time card records are reviewed at least bi-weekly by the supervisor. Supervisors must regularly review all time cards, for accuracy, missing punches and tardy / absents patterns.

Occasionally, it is necessary to be absent from work due to illness or circumstances beyond your control. When you have an unscheduled absence from work, you must notify Speck Pumps.

If controllable absences, equal or exceed the following standards, discipline as indicated should result:

1. An employee exceeding six incidents of unauthorized absence or tardiness in any 30-day period will receive a verbal warning from the supervisor, with notes being placed in the employees PayCor System file. In the event the employee's absence was due to illness, **(in excess of 3 consecutive days, a physician's note, will be required to return to work)**, a work-related injury, an absence under the federal Family and Medical Leave Act, or an Americans with Disabilities Act accommodation, no action should be taken.
2. Should an employee be absent or tardy on a seventh occasion in any 30-day period, the employee should receive a written incident report detailing the absence or tardiness and a warning that the next event could lead to termination. Copies of this and all similar future reports should be sent to the Human Resources Department for appropriate filing and disciplinary action approval.
3. If, following the written warning, an employee should again be absent or tardy, the employee is subject to termination. No termination action should be taken, however, without the prior approval of the President.
4. For absences approved pursuant to a work-related injury, the company's reasonable accommodation policy or leave policy will not be used for disciplinary purposes. The supervisor can raise the issue of whether the employee can perform the essential functions of the job or whether the employee should be moved to another position to better accommodate the absences and the impact on the business.

Non-exempt employees are responsible for calling and leaving a message on the Call-in message system one hour prior to their starting time. If an employee is out for more than one day they are to leave a message on the Call-in message system, then speak to their supervisor / Manager or Human Resources on the second day of absence. It is their responsibility to speak to their supervisor / manager personally and keep their supervisor informed every day as to when they expect to return to work.

In the event an employee is absent due to a personal medical emergency, the supervisor should be contacted within 24 hours. If they are not able to contact their supervisor, they should have an immediate

family member do so. If an employee is absent for three or more days due to an illness/injury, they will be required to present a doctor's release to return to work.

Team Leads and Managers are responsible beyond basic call-in obligations. Team leads/managers need to follow the above responsibilities in regards to calling the Call-in message system. They are also responsible for personally speaking to their supervisor about any job aspects that need to be covered during their absence.

Exempt employees have responsibilities beyond basic obligations. Exempt employees are required to make sure their work is covered when unscheduled time away from work arises. These employees are responsible for calling and leaving a message on the Call-in message system one hour prior to their starting time. These employees are also required to find coverage for their shift if their position requires this (i.e. phone coverage; invoicing). Exempt employees need to review with their manager the responsibilities needing to be covered during their absence and how the employee has arranged for them to be covered. Should an exempt employee need more than one unscheduled day off, they need to leave a message on the Call-in message system and contact their manager or Human Resources each day they are away from the office with their expected return date. Any additional responsibilities that require coverage during their absence should be relayed on a daily basis. If an employee is absent for three or more days due to an illness/injury, they may be required to present a doctor's release to return to work.

Call-in Message System Instructions

When reporting an unscheduled absence or late arrival: call (904) 854-0376. Leave a message with the following information: name and date, reason for absence or late arrival, when you expect to return to work and a phone number where you can be contacted.

The same procedure should be followed when you will be late to work.

It is a violation of the Company Policy not to notify your supervisor when you will be absent or late to work. Disciplinary action may result for employees who do not follow this Policy regarding notification and who are repeatedly absent and/or late to work. Any no call/no show lasting three days is considered job abandonment and will result in **immediate termination** of employment. Employees may not be paid for any unexcused/unauthorized absences.

Time Clocks

Speck Pumps provides time clocks to accurately track employee hours worked. Employees are responsible for ensuring their time cards, whether electronic or printed, are accurate prior to the processing of payroll. It is a violation of Company Policy for employees to deceive a time recorder, falsify time cards or access or adjust time cards for other employees. Disciplinary actions may be taken against employees who intentionally falsify time records.

Time Off for Death in the Family

Full and part time employees may take up to three (3) days of leave, with pay, for the death of an immediate family member (parents, spouse, and child).

Full and part time employees may take one (1) day of leave, with pay, for the death of a family member who is an in-law, sibling, or grandparent.

Jury Duty

Speck Pumps will pay one (1) day of regular wages to Full time employees and employees who work at least thirty-five hours per week, (exclusive of meal breaks, on a regularly scheduled basis) summoned for Jury Duty. Employee must submit a copy of the Jury Summons to Human Resources and complete appropriate paperwork for time away from work.

Company Holidays

Full and part time employees receive the following six (6) paid holidays:

New Year's Day	January 1 st (but may be observed on the Friday before or Monday after)
Memorial Day	Last Monday in May
Independence Day	July 4 th (but may be observed on the Friday before or Monday after)
Labor Day	First Monday in September
Thanksgiving Day	Third Thursday in November
Day after Thanksgiving	Third Friday in November <i>(Vacation Reserve must be used)</i>
Christmas Day	December 25 (but may be observed on the Friday before or Monday after)

The President may designate additional paid holidays at the beginning of the calendar year. If a holiday falls on a Saturday or Sunday, the holiday designation shall be determined at the discretion of the President. Eligible employees will be given another day off in lieu of a holiday worked. Religious holidays may be taken as personal leave or in lieu of any of the above listed holidays when Speck Pumps is open.

Vacation and Personnel Time Off (PTO)

The vacation year is the calendar year. The company believes that adequate time must be provided to employees annually for rest and relaxation. For this reason, all employees are encouraged to take their full allotment of vacation days each year. Only with prior written approval from the department heads and president, submitted to the Human Resources Department, may vacation time be carried over from one year to the next. Any vacation allowance that has been approved for carryover must be used before March 31 of the following calendar year, or it will be lost. If the company requests that vacation time not be used or be delayed, then a longer time may be allowed.

All requests for advance vacation must be submitted to your supervisor, via PayCor at least 48 hours before the pay date when the employee will be away

Vacation

Full time employees and employees who work at least thirty-five hours per week, (exclusive of meal breaks, on a regularly scheduled basis) are eligible to take paid vacation at such time as is mutually agreed upon with their immediate supervisor.

Vacation is accrued as follows:

After completion of the first year of full-time employment:

- 80 hours (10 working days)
- For every three years of full-time employment, an additional 8 hours will be added (1 day paid vacation day).

At the beginning of each year, the President may designate up to a maximum of three (3) mandatory employee vacation days. All employees will take those specified days as vacation days and the company will be closed for business.

Employees must request vacation days well in advance by completing a Vacation Request **via Paycor**. Additional time off, without pay, may be requested, up to a maximum of five days per year.

Employees accrue vacation from their first day of employment, but are not eligible to take accrued vacation until after one year of continuous service have been completed.

Vacation time does not accrue while an employee is on leave without pay or on disability.

Employees are encouraged to take their annual vacations. At the beginning of any calendar year, an employee may carry over a maximum of five (5) days of vacation from the preceding year, with prior approval of their immediate supervisor, President and Human Resource Office. Any unused vacation leave in excess of five (5) days will be forfeited.

Accrued Personal Leave (PTO)

Employees may accrue up to 52 hours per year (6.5 days) to be used at the employee's discretion. Employees should request advanced approval **via Paycor** prior to taking a personal leave day.

If the personal leave day is taken due to illness or personal emergency, the employee must notify their lead supervisor a minimum of one hour prior to the employee's scheduled starting time, and indicate if possible, their estimated length of leave. Failure to call in to report the employee's absence for three (3) consecutive days will be considered a voluntary resignation.

Hourly employees will accumulate one (1) hours leave for every week in which they are paid for at least (39.5) hours and start and end each day at the scheduled time. This will be awarded at the end of each two (2) week pay period. If the employee obtains prior approval from their supervisor, they may make up that time within the pay period and still qualify for the accumulation of leave at the end of the pay period.

Salaried employees will accumulate one (1) hours leave for every week in which they work forty (40) hours and the demands of their position are met. This will be awarded at the end of each two (2) week pay period.

Employees may not borrow paid personal leave days. Only those personal leave days that have been earned may be taken as paid personal leave days. If an employee is sick and has no accrued personal leave days, the time will have to be taken without pay.

Personal Time Off days do not accrue while employee is out on leave, without pay.

Termination

All full-time, regular employees who resign or are terminated (other than for gross misconduct) will receive payment for any earned unused vacation allowance for that calendar year, provided a resignation, 2 weeks' notice was given.

Employees terminated for gross misconduct will not be provided any vacation pay. *Gross misconduct refers to misappropriation of company property, disclosure of confidential information, violation of a conflict of interest policy, unlawful discrimination, fighting, violation of the company's drug and alcohol policy, and criminal acts on company premises or during work hours.*

Upon termination of employment, there is no cash reimbursement for unused Personal Time-Off (PTO) days.

Hours of Work

Salaried Exempt Employees

Salaried employees exempt from overtime are not required to use time cards. However, they are to adhere to their agreed upon work schedule, and for the purpose of workplace emergencies, building lock-down or building evacuations, they are to report via the time clock their arrival and departure from the property. They are also record full-day and half-day absences, along with the reason for the absence.

Nonexempt Employees

Nonexempt employees are to record their daily attendance via the time clocks. Time cards are audited daily by supervisors and human resources to confirm their accuracy. The start and end of the lunch period is also recorded.

Federal and state recordkeeping requirements require the company to maintain accurate records and to enforce certain regulations. All hours worked must be recorded. Do not work off the clock. The following rules must be observed:

Employees must punch out and in for lunch breaks, if they leave company property.

Any errors or accidental missed punches require correction a Time Correction form is required.

Tardiness, and this includes returning to work after lunch, will be considered on the same basis as absenteeism and will result in disciplinary action.

Employees are not to line up at the time clock before the cleanup bell rings. The time after the cleanup bell is used to finish the job and clean up the workstation before official cessation of work.

Employees leaving the premises during working hours for reasons other than company business (e.g., intermittent FMLA leave) must punch out when leaving and punch in when returning.

Employees who violate the time card rules are subject to discipline up to and including termination.

Work Schedules

Work schedules are designed to ensure required work can be accomplished during the normal operating hours of the company. Scheduled are generally a fixed number of hours during the open operating hours of the company.

Regular hours (the standard work week) for Speck Pumps shall be five (5) days, 40 hours, exclusive of meal breaks. Employees may be required to work weekends and evenings. Employees are expected to arrive at work at such time as will allow them to begin the work day as scheduled.

It is the responsibility of the employee's managing/lead supervisor to set the specific schedule for each employee. That schedule may change from time to time. Although the Company will attempt to provide notice of any changes in the schedule, it may be necessary to make changes without notice. Every effort will be made to accommodate an employee's need for time off, recognizing that the scheduling of work is designed to meet the needs of the Company.

Requests for Schedule Changes

The company understands that on occasion employees may experience situations which may require a **temporary** schedule change. *Defined as “a short term (less than 30 days) change to start and end times.”* Every effort will be made to accommodate the request however, the needs of the company will always come first.

Any schedule change request must be submitted to, and approved by your manager, the President and Human Resources.

Subject: Communications
Organization: Speck Pumps
Communications Policies-002-0117

Media Relations

The company cooperates as fully as possible with news media inquiries and communicates truthfully with the media on company matters appropriate for public knowledge. The company frequently solicits news coverage of its important new developments, products, services, or special events to support sales, marketing, and public relations objectives. Routine press releases will be posted on our website and sent to local media outlets.

Media Inquiries

In order to maintain accuracy and consistency, employees who receive inquiries from the news media must follow the guidelines and procedures outlined in the Human Resource Policies and Procedures Manual. (Consult your Manager or Human Resources for further details).

Open Door Policy

The “Open Door” is a policy designed to encourage employees to voice their workplace concerns before greater problems arise.

Two-way communication is essential to the successful operation of our business. Employees are encouraged to share their concerns, seek information, provide input, and resolve problems and issues through their immediate supervisor and, as appropriate, consult with any member of management toward a resolution. Managers, supervisors, and the human resources director will listen to employees’ concerns, encourage their input, and seek clarity in resolving problems and issues.

The Open Door is a voluntary process that allows employees to talk with their immediate supervisor or with a higher-level manager without fear of retaliation. Employees are encouraged to solve a problem at the lowest possible managerial level, but they may take issues as far up the chain of command as needed.

The company does not tolerate retaliation against employees who use the Open Door process.

Subject: Compensation
Organization: Speck Pumps
Compensation Policies-003-0117

Deductions from Pay

All deductions from an employee's wages shall be in accordance with applicable law and, when required, the employee's consent.

Procedures

- 1) Deductions will be made from employees' wages in the following order:
 - a) Social Security taxes
 - b) Federal and state income taxes
 - c) Amounts owed to the company
 - d) Child support
 - e) Garnishment
 - f) Assignment of wages (if allowed under state law)

Employees are to be notified of deductions due to court orders, such as child support or garnishments, in accordance with such orders.

- 2) No deduction from an employee's wages for any period shall cause the employee's wages for any such period to be less than the wage required to be paid by the company pursuant to applicable law.
- 3) Employees who object to any deduction, such as deductions due to an absence, deductions for an advance, a garnishment, or child-support order, are to contact the human resources director. If the employee and the director cannot resolve the matter, the dispute will be referred to the legal department. The company will promptly correct any deductions made in error or not permitted by applicable law.
- 4) Employees must consent in writing to the following deductions:
 - i) —Payment of group health insurance
 - ii) —Contributions to a retirement plan
 - iii) —Repayment of purchases made on credit from the company
 - iv) —Repayment of payroll advances and/or overpayments
 - v) —Educational loans

Direct Deposit

Direct deposit provides a number of benefits such as less chance of a lost check, theft, or forgery, and funds are deposited in employees' accounts on payday. All employees are required to use direct deposit for payroll unless they are exempted.

The company requires all employees participate in direct deposit.

All direct deposit information can be entered by the employee thru **Paycor Self-Service**

Each employee is responsible for verifying the deposit has been made prior to spending the funds.

Any discrepancies should be reported immediately to human resources.

Employees who have questions or need assistance with these guidelines may contact the human resources department or the payroll service center.

Garnishments

Policy

It is company policy to comply with the state laws, the Child Support Enforcement Program, and Title III of the Consumer Credit Protection Act, and to make available financial counseling aid to our employees. The company does not have the option to disregard a garnishment lawful under applicable law.

Summary of the Act

Title III of the Consumer Credit Protection Act imposes federal restrictions on state garnishment laws. The federal law does not affect the state laws which are more restrictive, but does prevail over state laws which permit unlimited or less-limited garnishments.

Under applicable law, no employer may discharge any employee by reason of the fact that earnings have been subjected to garnishment for any one indebtedness. "Any one indebtedness" means a single debt, regardless of the number of times garnishment proceedings are filed to collect it. There are no exemptions from this prohibition. For example, if a state taxing authority has levied on a tax debt which is a first indebtedness, the employee may not be discharged. Title III does not, however, protect an employee from discharge if the employee's earnings have been subject to garnishment for a second or subsequent debt.

No company representative should make any threat of discharge for garnishments connected with any debt. In a situation where discipline is contemplated (e.g., garnishment on a second debt), the controller is to ensure that the garnishment is truly a separate and distinct debt from the first and not another filing on the original debt. The controller will also consult with legal counsel to confirm that discipline is permitted under applicable law.

The Child Support Enforcement Program requires that employers withhold for child support orders immediately, even if there is no arrearage. The law allows for an exception to immediate wage withholding if the court finds good cause, or if both parents agree to another arrangement. The company will receive a notice from the state child support enforcement agency that tells the company when to begin to withhold, how much to deduct, and where to send the money.

Procedure

When a notice of assignment or garnishment of an employee's wages or wage deduction order is served on the company, it is to be referred immediately to Human Resources.

- 1) The Human Resources Manager should interview the employee immediately to review the circumstances which led to the order, making it clear that the company will not interfere with an employee's affairs, but that financial counseling is available through the company's employee assistance program.
- 2) Each case should be reviewed carefully to determine if the problem has been caused by irresponsibility, which might be reflected in the employee's attitude at work, or if it is a result of unforeseen circumstances beyond the control of the employee.
- 3) In cases where the employee appears willing to meet the obligations, the Human Resources Manager should encourage the employee to meet with the creditor to arrange payment and to obtain release of the garnishment or order.

Limitations on Deductions

The federal law establishes a maximum deduction on a garnishment of 25 percent of disposable earnings, or the amount by which disposable earnings for that week exceed 30 times the federal minimum hourly wage prescribed by the Federal Labor Standards Act in effect at the time earnings are payable, whichever is lower. "Disposable earnings" are generally defined as that part of the employee's earnings after the deduction of any amount(s) required by law to be withheld.

If the law in the state in which the facility is located is more restrictive in its limits on deductions, the state law is to be followed, unless the garnishment is governed by a federal law that preempts the state law.

Exemptions from Restrictions on Garnishments

The restrictions on the amount of disposable earnings which may be subjected to garnishment may not apply or may be different in the cases of:

- 1) Any order of any court of bankruptcy under the Bankruptcy Act
- 2) Any order of any court for the support of any person
- 3) Any debt due for any state or federal tax
- 4) Any debt due for a student loan

This policy may be varied in order to comply with applicable law in effect at the time of the garnishment.

Loans and Pay Advances

Speck Pumps understands that, at times, an employee will have an emergency need for funds. When this occurs, please contact the company President to discuss your needs and the best source for funds.

If the President decides to make an advance against salary for you, you will be required to complete certain forms. There will not be any interest charged on the advance. You will be required to repay the money through payroll deductions in a stated period of time.

If you should leave our employment before the expiration of the time for paying back the advance, it will be deducted from your last paycheck.

Typically, the company will not make an advance of more than 50% of your average bi-weekly salary, and generally, the advance is to be repaid over 6 months. Usually the company will not make more than one advance every 6 months and will normally not make a second advance if there is still a balance due on a prior advance.

Overtime Pay

The company pays hourly and nonexempt employees at the rate of time and one-half for all time actually worked in excess of 40 hours per week. For computing overtime, the workweek begins on Monday morning at 12:01 a.m. and runs through Sunday night at 12:00 p.m.

Overtime is to be assigned by supervisors when the work is needed to meet established schedules or deadlines. Advance notice will be given to employees whenever possible; however, situations occasionally arise that do not permit advance notification. In that situation, the supervisor will seek to notify the employees who are scheduled for overtime work as soon as possible. The department head must approve all requests for overtime in the department.

Procedure for Paying Overtime

Overtime rates are applied to actual hours worked on company business and are computed as follows: The time worked in excess of 40 hours in 1 week is paid for at the rate of time and one-half the regular hourly rate of the employee.

The employee will record all approved overtime hours worked on the appropriate overtime authorization form. This form will be submitted to the supervisor for review and approval. The supervisor will then forward it to the Human Resources department. Payment for overtime will be included in the paycheck for the period immediately following the one in which it was earned.

Absences covered by sick leave, even though paid for, are not considered as time actually worked for purposes of computing overtime compensation. Absences covered by jury duty, holiday, and vacation policies will not be considered as time worked for purposes of computing overtime compensation.

When an employee is required to travel, overtime is calculated on the basis of the number of travel hours that count as time worked under applicable law.

Time worked away from company premises at the company's request is considered time worked, and any overtime hours will be compensated accordingly.

No overtime shall be worked unless specifically requested by management. All overtime shall be reported as worked.

Falsifying time records may result in immediate termination.

Supervisors will take no action that encourages employees to work off the clock. For example, supervisors are not to assign to employees an amount of work that a supervisor expects to take 8 hours and require the employee to complete the assigned work in 7 hours. Similarly, employees may generally not be hired to perform contract labor as independent contractors in an effort to avoid overtime. Supervisors who are found to violate this policy are subject to discipline, up to and including discharge.

Safe Harbor Policy

It is our policy and practice to compensate employees for all time worked and to do so in compliance with all applicable state and federal laws. To ensure that you are paid properly for all time worked and that no improper deductions are made, you must record correctly all work time and review your paychecks promptly to identify and to report all errors. No one who is eligible for overtime should perform any work that is not authorized and recorded on his or her time card.

Review Your Pay Stub

We make every effort to ensure our employees are paid correctly. Occasionally, however, inadvertent mistakes can happen. When mistakes do happen and are called to our attention, we will promptly make any corrections that are necessary. Please review your pay stub when you receive it to make sure it is correct. If you believe a mistake has occurred (including any improper deductions, under-reported hours of work or other error) or if you have any questions, please use the reporting procedure outlined below.

Non-exempt Employees

If you are classified as a non-exempt employee (which means that you are eligible for overtime pay, "hourly"), you must maintain a record of the total hours you work each day. These hours must be accurately recorded on a time card that is made available for employees to view. Each employee must check his or her time card to verify that the reported hours worked are complete and accurate. Your time card must accurately reflect all regular and overtime hours worked, any absences, late arrivals, early departures and meal breaks. At the end of each week, you should review your time card to ensure accuracy. If your time card is not accurate, notify Human Resources immediately to correct time card. When you receive each pay check, please verify immediately that you were paid correctly for all regular and overtime hours worked each work week.

Unless you are authorized by your supervisor, you should not work any hours that are not authorized. Do not start work early, finish work late, work during a meal break or perform any other extra or overtime work unless you are authorized to do so and that time is recorded on your time card. Employees are prohibited from performing any "off-the-clock" work. "Off-the-clock" work means work you may perform but fail to report on your time card. Any employee who fails to report or inaccurately reports any hours worked will be subject to disciplinary action, up to and including discharge.

It is a violation of the Company's Policy for any employee to falsify a time card or to alter another employee's time card. It is also a serious violation of Company Policy for any employee or manager to instruct another employee too incorrectly or falsely report hours worked or to alter another employee's time card to under- or over-report hours worked or to fail to report any such misconduct. If any manager or employee instructs you to (1) incorrectly or falsely under- or over-report your hours worked, (2) alter another employee's time records to inaccurately or falsely report that employee's hours worked, or (3) conceal any falsification of time-records or to violate this policy, you should report it immediately to the Human Resources Department.

An Employees pay may be reduced for certain types of deductions such as your portion of health, dental or life insurance premiums; state, federal or local taxes, social security; or, voluntary contributions to a 401(k) or pension plan.

Exempt Employees

If you are classified as an exempt salaried employee, you will receive a salary which is intended to compensate you for all hours you may work for the Company. This salary will be established at the time of hire or when you are classified as an exempt employee. While your base salary may be subject to review and modification from time to time, such as during salary review time, the salary will be a predetermined amount that will not be subject to deductions for variations in the quantity or quality of the work you perform.

Under federal and state law, your salary is subject to certain deductions. For example, absent contrary state law requirements, your salary can be reduced for the following reasons:

- Full day absences for personal reasons.
- Full day absences for sickness or disability.
- Full day disciplinary suspensions for major safety violations or significant infractions of important written workplace conduct rules.
- Family and Medical Leave absences (either full or partial day absences).
- To offset amounts received as payment for jury and witness fees or military pay.
- The first or last week of employment in the event you work less than a full week.
- Any full work week in which you do not perform any work.

Your salary may also be reduced for certain types of deductions such as your portion of health, dental or life insurance premiums; state, federal or local taxes, social security; or, voluntary contributions to a 401(k) or pension plan. In any work week in which you performed any work, your salary will not be reduced for any of the following reasons:

- Partial day absences for personal reasons, sickness, vacation or disability, unless the leave is FMLA-protected.

- Your absence on a day because the facility is closed on a scheduled work day.
- Absences for jury duty, attendance as a witness, or military leave in any week in which you have performed any work.
- Any other deductions prohibited by state or federal law.

Please note: It is not an improper deduction to reduce an employee's accrued vacation, personal or other forms of paid time off for full or partial day absences for personal reasons, sickness or disability.

Pursuant to our leave policies, employees who are absent for all or part of a work day must apply accrued paid leave time to that missed work time. After all paid time off is exhausted, no partial day deductions will be made from the salary of a salaried exempt employee.

To Report Concerns or Obtain More Information

If you have questions about deductions from your pay or your wages, please immediately contact Human Resources. If you believe you have been subject to any improper deductions or your pay does not accurately reflect your hours worked, you should immediately report the matter to Human Resources. If Human Resources is unavailable or if you believe it would be inappropriate to contact that person (or if you have not received a prompt and fully acceptable reply), you should immediately contact the President of the Company.

Every report will be fully investigated and corrective action will be taken where appropriate, up to and including discharge for any employee(s) who violates this policy. The Company will not allow any form of retaliation against individuals who report alleged violations of this policy or who cooperate in the Company's investigation of such reports. Retaliation is unacceptable, and any form of retaliation in violation of this policy will result in disciplinary action, up to and including discharge.

Subject: Discipline
Organization: Speck Pumps
Discipline and Rules Policies -004-0117

Bulletin Boards

The company uses physical, voice, and electronic bulletin boards to transmit information to employees quickly and accurately and to comply with federal and state posting requirements.

It is the responsibility of employees to check bulletin boards periodically.

Employees are not to touch, deface, remove, or add postings on company bulletin boards.

The company maintains two types of bulletin boards: company and employee bulletin boards. Company bulletin boards are reserved for required federal and state postings and for information concerning major business-related subjects such as company policies and plans, safety procedures, important promotions, changes in operations, and other topics that concern or affect the majority of the company's employees.

As necessary, postings will be available in languages other than English spoken in the workplace, or a notice in the other languages will be posted describing how to obtain a translation from English.

Employee bulletin boards are for information concerning community events, notices of recreational clubs or organizations, items for sale, and other general-interest items. All notices for the employee bulletin board must be submitted to the Human Resource Office for approval and posting.

Bullying in the Workplace

Speck Pumps prohibits acts of harassment and bullying. A safe and civil environment is necessary for employees to achieve the high standards we expect. Demonstration of appropriate behavior, treating others with civility and respect, and refusing to tolerate harassment and bullying are expected of all employees.

Bullying is repeated, health-harming mistreatment of another person. Examples of prohibited behavior include, but aren't limited to, screaming; swearing; name calling; stealing; giving dangerous work assignments; using threatening, intimidating, or cruel behaviors; deliberately humiliating a person; denying advancement; and stealing work credit.

Under company policy, bullying:

- Is committed by written, verbal, graphic, or physical acts, (including electronically transmitted acts using the Internet, a cell phone, or a personal communication device)
- Substantially interferes with work, opportunities, and benefits of one or more employees, sometimes through actual sabotaging of work
- Adversely affects an employee's ability to function at work by placing the employee in reasonable fear of physical harm or by causing emotional distress

Because bystander support can encourage bullying, **Speck Pumps** also prohibits both active and passive support for acts of harassment and bullying. Employees should either walk away from these acts when they see them or constructively attempt to stop them. In either case, employees should report incidents to

Human Resources. Reprisal or retaliation against any person who reports an act of harassment or bullying is prohibited.

Violators of this policy will be subject to appropriate discipline, up to and including discharge.

Dress Code

The image of Speck Pumps is influenced by the appearance of its employees. We are all expected to practice good hygiene and keep a clean, neat professional appearance and to dress in appropriate attire. Employees should dress accordingly to their daily tasks. If an employee is meeting with customers or knows visitors will be in the office, they should dress in appropriate business attire.

Inappropriate clothing includes but is not limited to, any revealing clothing or clothing displaying provocative messages or emblems; these items are prohibited. Safety is also a concern with work attire. Clothing and accessories that may interfere with a job function are prohibited. Any employee who performs any work assignments in production areas or in the factory must wear closed-toed shoes. Keep in mind that shoes should cover the majority of the foot area. Office employees may want to consider having a closed-toed pair of shoes on hand for those times they are working in production areas or in the factory.

Managers and supervisors are responsible for interpreting and enforcing dress and grooming standards in their areas of responsibility. This includes counseling employees whose appearance is inappropriate. Any questions or complaints that cannot be handled to an employee's satisfaction by his or her supervisor or manager should be taken to the Human Resources department. Any employee whose appearance does not meet these standards will be counseled by his/her supervisor or manager. If the appearance is unduly distracting or the clothing is unsafe, the employee may be sent home to correct the problem. Repeated disregard for this dress and grooming Policy may result in disciplinary action up to and including termination of employment.

Cell Phone Use

Speck Pumps recognizes that cell phones and personal communications devices have become valuable tools in managing our professional and personal lives. However, use of these devices in the workplace can raise a number of issues involving safety, security, and privacy. Therefore, SPECK PUMPS, has adopted the following rules regarding the use of personal communication devices in the workplace during working hours.

Except in cases of emergency, employees should conduct personal business during lunch breaks and other rest periods. This includes the use of personal communications devices (including cell phones) for personal business (including personal phone conversations and text messages, personal e-mails, and use of the Internet for personal reasons). Employees should be considerate of their co-workers and keep ring tones and alerts on vibrate or silent while at work. Phone calls made during an employee's lunch break or rest period should be made away from the employee's desk or work station so as not to disturb co-workers. Minimal or incidental use is permitted (e.g., child confirming safe arrival at home after school).

When attending a meeting with customers, clients, or co-workers, employees should turn off or silence their cell phones and personal communications devices. Except in extraordinary circumstances (e.g., family emergency), employees may not respond to personal calls during a meeting.

Employees are prohibited from using a device's camera to take photographs in the workplace. Phones and other devices with cameras or recording capabilities are strictly prohibited in all work areas that contain proprietary information or confidential documents.

Making discriminatory or harassing comments to co-workers via any electronic means of communication is prohibited. This includes offensive messages, photos, or images that are sexual in nature or that are offensive to a person based on his or her race, color, religion, national origin, gender, sexual orientation, disability, or any other characteristic protected by federal, state, or local law. [Organization Name]'s policies on professional conduct, discrimination, and harassment apply to all electronic communications to its employees, customers, clients, and vendors.

Violation of this policy may result in discipline, up to and including termination of employment.

Electronic Resources Policy

The Company's electronic resources – including desktop and portable computer systems, software, storage systems, cellular phones, Blackberry, PDA's, fax machines, electronic bulletin boards, Internet access and communication systems, including voicemail, email, instant messaging, networks and the Intranet - enable employees to quickly and efficiently access and exchange information throughout the Company and around the world. When used properly, these resources greatly enhance employee productivity and knowledge.

This policy applies to the use of all electronic resources that are owned, leased or otherwise provided by the Company, as well as any electronic resources that are used on or accessed from Company property, or that are used for Company related business. This policy also applies to all activities using Company-paid accounts, subscriptions, or other technical services, such as cell phones, Internet or Web access, voicemail, and email, whether or not the activities are conducted from the Company's premises. This policy also applies to all Intranet services.

No policy can cover every possibility. Therefore, this policy serves as a guideline for the use of "Electronic Resources". Questions as to the appropriateness of any use that is not addressed in this policy should be addressed to the Company's System Administrator.

NO EXPECTATION OF PRIVACY

The Company's electronic resources are provided for the benefit of the Company and its customers, vendors and suppliers for business purposes. All information, such as email, voicemails, documents or files that are created, sent, stored or retrieved over the Company's electronic resources are the property of the Company and should not be considered private. Users of the Company's electronic resources have no right to privacy as to any information or file transmitted or stored on or through the Company's network, computer, voicemail, email or other electronic resources. Any information or data that is created, stored, sent or received on or by using the Company's electronic resources may be retrieved and reviewed when doing so serves the legitimate business interests and obligations of the Company (as determined in the Company's sole discretion), including for example, to prevent misuse or to ensure it is appropriately responding to its customers or other business contacts.

The Company reserves the right to monitor the use of its electronic resources at any time and to inspect and screen all of the Company's electronic resources and all information contained therein without prior notice to employees or other users. For example, the Company may monitor sites visited by employees on the Internet, postings on chat or news groups, material downloaded or uploaded by users to the Internet, or texts, instant messages, e-mails sent and received, or postings made or viewed on the Company's Intranet site or service or other blog. These inspections and searches may be conducted during or outside business hours and in the presence or absence of the employee. Access to and disclosure of individual employee communications and/or documents by the Company must be authorized, in advance, by either the System Administrator or the President of the Company. All information, including text and images, may be disclosed to law enforcement or to other third parties without prior consent of the creator, sender or receiver.

As the Company determines is in the best interest of the Company, or otherwise appropriate under the circumstances, it may remove or delete content from its electronic resources and/or systems.

Use of Electronic Resources

Users are expected to use the Company's electronic resources to further the Company's business and in a manner consistent with performance of their duties and responsibilities, in compliance with the Company's other policies and not in a manner that could injure or violate the rights of other persons, bring harm or embarrassment to the Company or result in liability to the Company.

Employees are permitted to use the Company's electronic resources for occasional non-work related purposes during non-working time (during lunch and before or after their shift), as long as such use is not excessive, does not interfere with the performance of the employee's duties or productivity, or the duties or productivity of another employee or with the operation of the Company's electronic resources.

At **no** time may the Company's electronic resources be used:

- to harass, intimidate or make discriminating or offensive remarks to or about others or to view, store or distribute sexually oriented or other offensive materials;
- to defame any person or entity;
- for personal gain or business transactions or commerce unrelated to the Company; personal activities, including operating a business, usurping business opportunities or soliciting money for personal gain, searching for jobs outside of Speck Pumps or visiting social networking sites;
- for the advancement of individual views;
- to disclose or distribute Company confidential or trade secret information to employees without a need-to-know or to third parties in any manner without management approval and an appropriate confidentiality agreement;
- for "chain letter" or similar emails or communications;
- to otherwise compromise Company security controls and measures;
- to violate the copyright laws by copying, reproducing or distributing copyrighted information, including documents from the Company's services;
- to violate federal, state or local laws and regulations, including those that regulate the use of personal information; or
- to solicit funds, support, memberships or individual commitments to any third party organizations or causes, unless authorized by the Company.

Internet Access and use of Email

All-important e-mails shall be printed and filed with other documents concerning the project, supplier, customer, or subject of the communication in the same manner as written correspondence. E-mail messages should either be printed and stored with other paper files or stored and indexed in electronic form and regularly backed up.

As with all business records, e-mail may be subject to discovery in the event of litigation. As with all your communications, you should take care not to say anything that might appear inappropriate or that might be misconstrued by a reader.

Speck Pumps' e-mail messages are maintained in folders set up by the employee for an indefinite period of time. Messages maintained in an employee's inbox will be automatically archived and deleted at the discretion of the Systems Administrator. Messages in an employee's trash folder will be automatically deleted.

The Internet and email can be an invaluable resource for up to date information and guidance on a number of business related issues and use of the Internet for business reasons is permissible at any time.

Occasional personal use of the Internet and email is permitted only during non-working times as long as it is not excessive, does not interfere with the performance of the employee's duties or productivity, or the duties or productivity of another employee or with the operation of the Company's electronic resources and is otherwise consistent with the Company's policies. Email which promotes personal or outside business enterprises is forbidden.

Email or other communications should not be sent that either mask the sender's identity or indicate that they were sent by someone else.

On-Duty Blogging

The Company's electronic resources may be utilized to access discussion forums, news groups, blogs, wikis, chat rooms or social networking sites for business related reasons only. Employees should check with his or her manager to determine whether such activity is permissible in his or her position. Employees posting comments on public sites in the performance of their duties sites should adhere to the following guidelines:

Do not disclose any Company sensitive, proprietary, confidential information or trade secrets such as: financial information, including revenues, profits or forecasts; sales and marketing information, such as sales strategy, marketing techniques, price lists, pricing policies, market forecasts and sales volume; or product development information such as proprietary computer programs (including software or firmware), object code, source code, documentation, or product development methods, techniques or algorithms, product delivery methods, processes or designs.

Do not disclose confidential, proprietary information or trade secrets of others.

Do not hold yourself out to others as being someone you are not. If you are promoting the Company's products and services, disclose that you are an employee of the Company.

Ensure that comments about the Company and its products, as well as comments about other companies and products, are truthful, accurate and fair and can be substantiated. Do not make any deceptive or misleading statements regarding any competitors or competitors' products.

Ensure that comments are civil and polite. Do not make defamatory, derogatory, libelous or slanderous comments regarding others, including the Company, any of its current or former employees, customers, alliance or strategic partners, suppliers, competitors or vendors;

Ensure that you comply with the terms and conditions of any other web sites or blogs that you link to or access;

Use the Company's trademarks properly.

Do not violate any copyright laws by, for example, posting others' materials, such as pictures or articles, without obtaining the proper permission from the author or owner.

The Company's electronic resources are not to be used to advance personal views or to access discussion forums, news groups, blogs, wikis, chat rooms or social networking sites (e.g., Facebook, Twitter, etc.) that are not business related.

Regardless of whether an employee is utilizing the Company's electronic resources or time, employees may not publish material on the Internet, including in or on discussion forums, news groups, blogs, wikis, chat rooms or social networking sites (e.g., Facebook, Myspace or Twitter) that:

is obscene, profane, defamatory, derogatory, slanderous, libelous, threatening, harassing, abusive, hateful or embarrassing to the Company, any of its current or former employees, customers, alliance or strategic partners, suppliers, competitors, consultants or vendors;

Reveals any Company sensitive, proprietary, confidential or trade secret information (see On Duty Blogging for examples)

Uses or displays the Company logo or trademarks without the Company's permission;

Suggests or implies that the views expressed are those of the Company; or

Violates the Company's policy relating to Non-Discrimination or Harassment or the Code of Conduct & Business Ethics.

Recording

No one is permitted to use electronic resources, including web cameras or cellular phones, whether owned or leased by the Company or not, to record any conversation, communication, activity or event in any way related to the Company (or photograph, video or otherwise record Company personnel or premises) unless written authorization from the Systems Administrator is obtained. This prohibition includes but is not limited to openly or secretly taping, videotaping or otherwise recording (e.g., wiretapping) conversations or communications among employees and between employees and management, as well communications with third parties, such as vendors, suppliers, consultants, attorneys and independent contractors.

Notwithstanding the above, from time to time the Company may record or otherwise monitor conversations or other communications or activities between employees and/or between employees and third parties for legitimate business purposes, such as training and education of sales on new products or customer service training or quality control. Generally, employees will be notified when they are subject to such taping or recording in accordance with applicable laws. Under certain circumstances, however, notice may not be given, such as where the Company is conducting an investigation.

CONSEQUENCES OF VIOLATION OF THE ELECTRONIC RESOURCES POLICY

Violations of this policy may be grounds for disciplinary action up to and including termination of employment, and possible legal action. Where the conduct engaged in is illegal, violators may also be subject to prosecution under applicable federal, state or local law. Employees who discover a violation of the policy must report it to management.

Equipment and Electronic Technology Policy

The Company relies heavily on "Equipment and Electronic Technology" to meet its operational, financial, and informational requirements. It is essential that these systems and machines be protected from misuse, breaches of confidentiality, and unauthorized access. It is also essential that the Company's computers and computer systems and the data they store and process be operated and maintained in a secure environment and in a responsible manner.

The Company provides its employees with various equipment and electronic technologies, including personal and laptop computers and related software and hardware, hand-held communication devices, voice mail, e-mail, and Internet access (collectively referred to as "Equipment and Electronic Technology"), for the purpose of enabling them to conduct business on behalf of the Company. This policy applies to all employees of the Company, as well as any other person using the Company's "Equipment and Electronic Technology" at any time or place.

No policy can cover every possibility. Therefore, this policy serves as a guideline for the use of “Equipment and Electronic Technology”. Questions as to the appropriateness of any use that is not addressed in this policy should be addressed to the Company’s System Administrator.

Use of the Company’s “Equipment and Electronic Technology” is a privilege, not a right, and places a responsibility on all users. The Company may revoke the privilege temporarily or permanently at the discretion of management. The Company in no way condones improper use in violation of this policy and reserves its right to reconsider any aspect of this policy and to amend the policy in whole or in part at any time and in any respect.

Company Property and Employee Responsibilities

All “Equipment and Electronic Technology” (including laptop computers), and all data and information created, stored or otherwise generated using the Company’s “Equipment and Electronic Technology” (including information on laptop computers) are the exclusive property of the Company. This property is a valuable business asset and its reliability and integrity are critical to the success of the Company as an enterprise. The Company will consider any theft, modification or other misuse of this property, or attempt to do the same, by any employee a serious breach of conduct.

All employees share the responsibility of protecting the integrity and confidentiality of the operational, financial and other data on the Company’s “Equipment and Electronic Technology”. Employees are expected to keep their password(s) to Company “Equipment and Electronic Technology” confidential, including any remote access network access password(s), and to develop and change password(s) in accordance with Company approved procedures. Password(s) should not be displayed on or around workstations. If a user ID code or password(s) is compromised, the user should contact the Company’s System Administrator. Employees may be held responsible for any action performed using their system ID code and/or password(s). Employees may not transfer or otherwise give any information or data to any individual or business entity outside the Company unless they are doing so in the approved course of Company business and with the authorization of the team leader/supervisor or manager of their particular department. The Company should have access and a record of all passwords including but not limited to e-mail, websites and screen names.

Any employee who, without proper management authorization, directly or indirectly, actively or passively, alone or with others, misuses, accesses, tampers, damages, transfers, destroys, or interferes with the operation of any Company computer, network equipment, program, or data, or causes or permits such acts to occur will be subject to disciplinary action, up to and including termination. Any employee with knowledge or suspicion of any such conduct by another employee must report the matter immediately to his/her team leader/supervisor or manager and must cooperate with the Company’s investigation of the matter. Failure or refusal to cooperate with any Company investigation of suspected conduct that threatens the integrity and confidentiality of the “Equipment and Electronic Technology” will subject the employee to disciplinary action, up to and including termination.

Employees are expected to log off their workstations when unattended. If the workstation is not properly protected, employees may be held responsible for any action performed using their system ID during their absence. Employees are expected to safeguard their workstations from accidental data disclosure at all times. All data and information must be protected from unauthorized view and exposure.

Disposal of classified and/or confidential printed material (e.g., manuals and printouts, employee listings, etc.), classified magnetic media or other classified storage media, which is no longer needed, is the responsibility of the employee.

Employees are expected to access only those systems, applications, networks, and/or data that they are authorized to use. Employees shall not attempt to gain access to sensitive information or facilities that are not directly related to the performance of their assigned tasks for which they have no “need-to-know.” This includes improper access to confidential data such as other employee’s personal, financial or clinical

information for reasons other than to perform a job-related task. Access to another employee's e-mail requires prior approval.

Employees are not to modify, delete, update or otherwise alter the hardware or software of any Company Equipment or Electronic Technology, including but not limited to attaching any external/peripheral drives or devices, changing company settings, or altering the amount of memory on a computer. Unless an employee's job description includes these duties, the employee should contact the Company's System Administrator for assistance.

Any exception to this policy must be approved in writing by the Company's President or Systems Administrator.

Expectation of Privacy

All information (e.g., e-mail, Internet access) and data created, transmitted, downloaded, received or stored on or in Company "Equipment and Electronic Technology", including Company laptop computers, is the property of the Company and may be accessed by the Company at any time.

Passwords are designed to maintain the confidentiality of the Company's "Equipment and Electronic Technology" and business-related information contained therein. Passwords are not designed to provide individuals with confidentiality with respect to personal messages, data and documents stored on the Company's systems.

Because the privacy of personal information cannot be assured, information that may be considered private should not be stored or transmitted on the Company's "Equipment and Electronic Technology". By storing personal information on the Company's "Equipment and Electronic Technology", the employee is expressly consenting to the processing and disclosure of that information to the Company, its authorized representatives, and its employees for any of the purposes noted in this policy.

The Company, through its authorized representatives or employees, may inspect and disclose to third parties, including but not limited to law enforcement and other investigative authorities, any files, information or messages (including computer hard drive, voice mail, e-mail, and Internet usage) at any time in its discretion, to determine compliance with this policy as well as other Company policies, respond to lawful subpoenas or court orders, investigate alleged or suspected misconduct, locate information, or if reasonable and appropriate for any other business purpose. The Company need not notify employees before or after such inspection. All employees should be aware that "deletion" of a file or message does not mean that the Company cannot retrieve and review the file or message.

Use and Safeguarding of Equipment

Company computer equipment may not be removed from Company premises without express written authorization from the employee's team leader/supervisor or manager that has been approved by the Systems Administrator.

If an employee's duties or travel schedule necessitate the use of a laptop computer or other portable electronic equipment, special considerations apply **in addition** to the policies applicable to non-portable Company equipment.

All equipment, intact, and undamaged, must be returned immediately upon termination of employment. Employees are not to tamper with, scrub, or use any software that might delete information from such laptop prior to its return to the Company. (See other related section of this policy.)

Laptop Computers

Aside from occasional non-business use, Company laptop computers should be used for Company business only. A Company laptop is not to be used as an employee's personal or family computer. Employees must complete and submit for approval a User Agreement, clarifying the responsibilities involved in using a Company laptop computer, prior to removing the laptop from Company premises. The User Agreement must be approved by the employee's team leader/supervisor or manager.

The Company may terminate a User Agreement at any time and for any reason.

All equipment subject to the User Agreement must be returned immediately upon termination. The User Agreement is not a contract and does not change the at-will nature of the employment relationship with the Company.

Special Security Measures for Portable Equipment and Data

In addition to other policies and procedures set forth in this policy, some special security measures must be taken with respect to laptop computers and portable equipment.

Employees with portable equipment, including Blackberry's and PDA's, must take steps necessary to prevent or minimize the possibility of damage or loss. The value and portability of laptop computers and other electronic equipment (e.g., PDA's and electronic organizers) make them attractive targets for theft. The equipment must never be left unattended in places such as airports or hotel lobbies. If a loss occurs and the employee is deemed negligent, s/he may be required to reimburse the Company for the loss.

Employees are not to loan Company laptop computers or PDA's to anyone, including other Company employees, without first obtaining approval from their team leader/supervisor or manager and notifying Information Services.

If Company equipment is missing or stolen, the incident should be reported immediately (but not later than (8) hours after the loss) to the employee's team leader/supervisor or manager and notifying the Systems Administrator.

Employees must take appropriate measures to protect the security and confidentiality of work product on portable equipment, including but not limited to safeguarding disks, and using the equipment in such a way as to prevent others from viewing the screen.

Remote Access to Computer Networks

Remote access to the Company's computer networks is available only to those laptop and computer users whose duties require such access and who obtain express written approval from their team leader/supervisor or manager on a *User Agreement*.

To protect the integrity of the Company's computer network, employees must use only authorized access portals. Employees are prohibited from using Company equipment to access non-authorized portals, including accessing personal e-mail accounts with commercial providers.

Documents created while in "portable" mode are not immediately saved or backed up to the Company's system. Employees must take certain steps such as downloading them via remote access, or resynchronizing them with the Company's document management system upon return, to include those documents in the Company's system.

All Company-related documents on laptops should be backed up routinely so as to protect and preserve these documents for the Company's benefit.

Virus Protection

To protect the integrity of the Company's computer networks, special precautions must be taken to ensure that files, documents, email attachments or diskettes are not virus-infected.

Employees are prohibited from using personal diskettes or drives from outside the Company or copies of software or data in any form.

Unsolicited software received via the U.S. mail, e-mail, diskettes, compact disks, or other means should be considered unsafe and should not be opened or otherwise used.

All users, including laptop users, are required to ensure that anti-virus software is working properly at all times. Contact the Systems Administrator for information and instructions regarding anti-virus software operation.

Users are prohibited from disabling or otherwise altering anti-virus software to prevent or limit its normal operation.

Maintenance, Repair and Replacement of Equipment

Maintenance, repair and replacement of Company equipment is the responsibility of the Company, absent loss, negligence or mistreatment on the part of the user.

If Company equipment malfunctions or is otherwise damaged, employees should notify their team leader/supervisor or manager immediately.

Use of Software and Copyrighted Materials

All software purchased by, licensed to, or created by the Company is the exclusive property of the Company and may not be transferred or otherwise given to any individual or entity outside of the Company.

Employees are prohibited from loading non-Company provided software programs (e.g., games, screen savers, music players, personal files, pictures or other programs) or executable files (e.g., files ending in "exe, vbs, wsh") on the Company's computer system. Loading unauthorized software programs can damage the computer, causing extended loss of use and potentially affecting the Company's entire system.

For the same reasons, employees are strictly prohibited from deleting any programs or program files on the computer's hard drive without prior authorization from the Systems Administrator.

Employees are prohibited from copying, transferring or otherwise removing any software from Company computers upon termination.

Copyrighted materials must not be downloaded or passed on to others if the copyright owner has forbidden it. Further, work product or messages should not be shared with a larger audience (reproduction or transmittal) without first securing permission.

Credit Card Information

Employees are prohibited from accessing portions of software systems that contain credit card information unless their job function requires them.

Employees are strictly prohibited from storing credit card information outside of software programs designed to secure the information. This includes but is not limited to writing information in notebooks, on order forms, sending information in e-mail messages. Credit Card information should never be stored on local or personal devices.

Visitors

Employees with non-employee visitors should maintain integrity of systems and safeguard against data theft. Visitors are prohibited from using company hardware and accessing company networks without expressed written authorization from the Information Technology Department.

Visitors are to be escorted while in building and should not be allowed alone with access to networks or company hardware that can access company networks.

Visitors should never be given wireless keys or access to wireless networks.

Duty to Report Violations

Employees must report any violations of this policy to their team leader/supervisor or manager and/or to Human Resources.

Discipline and Termination

Users who violate any provision of this policy may be subject to loss of equipment and/or electronic technology privileges and other disciplinary action as deemed appropriate for the offense, up to and including termination.

Any failure by the Company to discipline employees for prior violations of this policy or other Company policies shall not constitute a waiver of its right to impose discipline for subsequent violations.

Progressive Discipline Procedures

Employment with SPECK PUMPS is "at will," which means it is subject to termination by either the Company or the employee at any time, for any reason. There are no contractual relationships between the Company and an employee, and letters, benefit or policy statements, performance appraisals, employee handbooks or other employee communications should not be interpreted as such. No one has the authority to enter into any oral or written employment contract without the signed explicit written approval of an officer of SPECK PUMPS, and no written employment contract will be valid without the signature of the President of SPECK PUMPS. To monitor this at-will relationship, SPECK PUMPS has developed guidelines to track performance.

Employee Responsibility

It is the duty and the responsibility of every employee to be aware of and abide by existing rules and regulations.

It is also the responsibility of the employee to perform his/her duties to the best of his/her ability and to the standards as set forth in his/her job description or as otherwise established. Employees are encouraged to take advantage of all learning opportunities available and request additional instruction when needed.

Employee Conduct

SPECK PUMPS supports the use of progressive discipline to address conduct issues such as poor work performance or misconduct and to encourage employees to become more productive workers and conform their behavior to Company standards and expectations. Generally, a supervisor gives a warning to an employee to explain behavior that the supervisor has found

unacceptable. There are two types of warning, verbal and written.

A verbal warning is when a supervisor verbally counsels an employee about an issue of concern. A written record of the discussion, noting the date, event and recommended action, is usually placed in the employee's file for future reference.

Written warnings are used for behavior or violations which a supervisor considers serious or where a verbal warning has not helped to change unacceptable behavior. An employee should recognize the grave nature of the written warning.

Whenever an employee has been involved in a disciplinary situation that has not been readily resolved or when he/she has demonstrated an inability to perform assigned work responsibilities efficiently, the department head, in consultation with the Human Resources Department or designate, may place the employee on a performance improvement plan. This status will last for a predetermined amount of time not to exceed 90 days. Within this time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and/or work requirements as specified by the supervisor and the organization. At the end of the performance improvement period, the employee will either be returned to regular employee status or, if established goals are not met, dismissal may occur.

SPECK PUMPS reserves the right to administer appropriate disciplinary action for all forms of disruptive and/or inappropriate behavior. Each situation will be dealt with on an individual basis.

SPECK PUMPS has established general guidelines to govern the conduct of its employees. No list of rules can include all instances of conduct that can result in discipline and the examples below do not replace sound judgment or common sense behavior. Examples of employee conduct that would lead to discipline and the usual course of disciplinary action have been separated into four types, according to the usual severity and impact of the infraction. Different violations may be handled differently depending on the type they are in. On the other hand, SPECK PUMPS reserves the right to determine the appropriate level of discipline for any inappropriate conduct, including but not limited to demotion, oral and written warnings, suspension with or without pay and discharge. Because of FLSA requirements, exempt employees should not be suspended without pay for less than a week.

Types of Violations

Minor Violations (Type C) *remain active in the employee file for 1 year* from the date of the violation

1st Offense: Written warning.

2nd Offense: Written warning.

3rd Offense: Termination of employment.

1. Creating conflict with coworkers, supervisors, visitors or volunteers.
2. Failing to follow hygiene practices as needed for the specific job assignment.
3. Contributing to unsanitary or unsafe conditions.
4. Smoking in non-smoking areas.
5. Leaving the assigned work area or facility without the supervisor's permission.
6. Loitering or loafing while on duty.
7. Using facility telephones for unauthorized purposes.
8. Using company property for personal gain
9. Disregarding the organization's dress code.
10. Damaging or using organization-owned equipment without authorization.
11. Abusing lunch and break periods.
12. Removing, posting or altering notices on any bulletin board on company property without permission by your manager or Human Resources Department.
13. Violating other rules or policies not specifically listed

Major Violations (Type B) remain active in the employee file for 2 years from the date of the violation

1st Offense: Written warning, with possible suspension

2nd Offense: Termination.

1. Failing to report injuries, damage to or an accident involving company equipment.
2. Violating any safety rule.
3. Negligence.
4. Horseplay that results in personal injury or equipment damage.
5. Spreading malicious rumors.
6. Engaging in vulgar or abusive language or conduct toward others.
7. Treating customers or coworkers in a discourteous, inattentive or unprofessional manner.
8. Leaving the facility early without notification or permission.
9. Being absent for less than three days without notification or permission.
10. Not complying with personnel file maintenance.
11. Not following department guidelines concerning notification of absenteeism.
12. Other violations not specifically listed

Critical Violations (Type A) *If the employee is not terminated they remain active in the employee file for 3 years* from the date of the violation

1st Offense: Up to and Including Termination.

Any employee accused of a Type "A" violation will be immediately suspended pending the outcome of an investigation. Suspensions will normally be for a period of 3 business days or less however, situations may require a longer period to complete the investigation.

Any employee suspended will be compensated for lost time, if the investigation determines the employee will not be dismissed.

Dismissal is an immediate termination of employee for serious breaches of responsibility,

unsatisfactory performance or misconduct. A supervisor or department head may impose dismissal after consultation with the Human Resources Department.

1. Being absent for three or more days without notification or permission (also referred to as a voluntary quit or job abandonment).
2. Fighting.
3. Demonstrating insubordination, including but not limited to: Refusal to do an assigned job.
4. Refusal to work overtime when required. Refusal to render assistance.
5. Refusal to accept holiday work when assigned.
6. Insolent response to a work order.
7. Delay in carrying out an assignment.
8. Being dishonest, including but not limited to deception, fraud, lying, cheating or theft.
9. Having time card violations.
10. Sabotaging the facility, grounds or equipment.
11. Falsifying company records, such as employment applications and time cards, in any way.
12. Engaging in any harassing or indecent behavior.
13. Possessing, being under the influence of or drinking intoxicants on the job.
14. Sleeping while on duty.
15. Carrying a weapon on company property, including the parking lot.
16. Disclosing confidential records or information (facility, employee or client).
17. Soliciting gifts or tips from business related contracts.
18. Using the facility's computer systems, including accessing confidential computer files and data, without authorization.
19. Demonstrating gross misconduct or other serious violations of SPECK PUMPS policies or procedures.
20. Failure to comply with license and certification requirements.
21. Copying facility documents for personal use.
22. Violation of the Confidentiality, Non-Competition and Non-Solicitation Agreement.

Absenteeism and Tardiness (Type Attendance)

Unscheduled, unexcused absences due to injury or illness, even when following appropriate guidelines, may still be deemed excessive. Discipline for otherwise unexcused tardiness and absenteeism is generally applied as follows: the first two violations result in written warnings; the third, a three-day suspension; and the fourth, termination.

Termination of Employment

Speck Pumps makes every effort in its recruitment and hiring efforts to employ people who will contribute positively to the Company and who, in return, will receive fair compensation and benefits for their efforts. Speck Pumps understands that the employment relationship is not a permanent one. Employees are employed “at-will,” which means the employee or Speck Pumps may terminate the employment relationship at any time, with or without cause or advance notice.

The end of the employment relationship with Speck Pumps will generally fall within one of the following categories, with indicated policies applicable to each:

1. Resignation

- a. Resignation is a voluntary termination freely made by the employee for any reason he/she chooses. Employees in supervisory positions are expected to give at least three (3) weeks’ notice. A minimum of two (2) weeks’ notice is expected from non-supervisory employees. Notice of resignation should be given in writing to the lead supervisor, who will then forward it to the President to be placed in the employee’s personnel file.
- b. Once verbal or written notice has been given, the only benefit time that may be taken is earned vacation, provided it is approved, in advance, by Human Resources.
- c. The final paycheck will be mailed to the employee’s home address within five (5) days after the pay period ends in which he/she had his/her last day of employment.

2. Unsatisfactory Performance

- a. Unsatisfactory performance is considered by the Company as the failure of an employee to meet work performance standards, complete tasks in a timely manner, competent way, or maintain an adequate attendance record.

3. Misconduct

4. Retirement

- a. There is no mandatory retirement age.

Exit Interview

An exit interview will be conducted by the supervisor, department head or Human Resources for all employees leaving the Company.

Return of Company Property

An employee must return all Company property on or before his/her last day of work. Appropriate legal action may be taken to recover or protect Company property in the event any items are not returned or accounted for.

Equal Employment Opportunity

Speck Pumps is committed to the principles of providing equal employment opportunity to all qualified persons, regardless of their race, color, sex, religion, national origin, age, disability, or marital status.

The Company is also committed to providing a reasonable accommodation for a known physical or mental disability of employees under appropriate circumstances.

This Equal Employment Opportunity Policy covers all matters affecting employees and applicants for employment and all aspects of their employment relationship, including recruitment, employment, compensation, scheduling, training, promotion, transfer, layoff and termination.

Harassment

Speck Pumps is committed to maintaining a work environment free of all forms of harassment, including sexual harassment, and to fostering positive business and personal practices designed to ensure that all employees are treated with respect and dignity in an environment that is neither hostile nor discriminatory. In keeping with this commitment, harassment of Speck Pumps' employees by anyone, including any supervisor, employee, vendor, client or customer, is unacceptable. The Company encourages the reporting of all incidents of harassment, regardless of whom the offender may be.

Harassment

Harassment consists of unwelcome conduct, whether verbal, physical or visual, based upon a person's sex, color, race, religion, national origin, age, disability or any other protected status. Speck Pumps does not condone and will not accept conduct that negatively affects an employee's tangible job benefits, that unreasonably interferes with an employee's work performance, or that creates an intimidating, hostile, offensive work environment. Harassment may occur in the workplace or in other work-related settings, such as business trips, and business-related social events.

Sexual Harassment

Unwelcome sexual advances, requests for sexual favors and other physical, verbal or visual conduct based on sex constitutes sexual harassment when: 1) submission to the conduct is an explicit or implicit term or condition of employment; 2) submission to or rejection of the conduct is used as the basis for an employment decision; or 3) the conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment.

Sexual harassment includes, but is not limited to, unwelcome sexual propositions, sexual innuendo, sexually suggestive comments, sexually oriented "kidding" or "teasing," "practical jokes," jokes about gender specific traits, displays of obscene printed or visual material, and unwelcome physical contact, such as patting, pinching or brushing against another's body. Speck Pumps recognizes that the issue of whether sexual harassment has occurred requires a factual determination based on all of the evidence available.

Reporting Harassment

If an employee feels they are being harassed by another employee based upon the employee's race, color, sex, religion, national origin, age, disability or marital status, the employee is encouraged to firmly and promptly notify the offender that his or her behavior is inappropriate and unwelcome. If this is ineffective, or if the employee feels uncomfortable confronting the offender directly, the employee should immediately report the harassment to his/her supervisor and/or Human Resources. If the employee's supervisor or Human Resources is engaging in the harassment or if the employee does not feel that the matter can be discussed with these persons, he/she should directly contact the President immediately. Prompt reporting of harassment will enable the Company to more quickly respond to the employee's concerns. A prompt investigation will follow any complaint. Speck Pumps forbids retaliation against anyone who has reported harassment. Retaliation in any form is a serious violation of this Policy, and will result in discipline, up to and including termination.

Speck Pumps has developed this Policy to insure that all of its employees can work in an environment free from harassment, including sexual harassment. The Company will make every effort to insure that all employees are familiar with this Policy and that any complaint received will be thoroughly investigated and appropriately resolved.

Workplace Violence

Violence and threats of violence committed by employees or directed toward other employees will not be tolerated, regardless of whether such behavior occurs in the workplace or elsewhere. Every threat of violence is serious and must be treated as such. Threatening behavior can include, but is not limited to, the following: 1) throwing, hitting or breaking objects; 2) making a verbal threat of harm to a person or properties; 3) making menacing gestures; 4) expressing grudges against employees or implying that there will come a time to “get even” with another employee; 5) following employees, keeping them under surveillance, eavesdropping on private conversations, going through their personal papers or belongings; and 6) bringing weapons to work, or on Company property or at any Company function, or mentioning the existence of weapons in a menacing manner. Weapons are not permitted on Company property.

Any employee who feels threatened or intimidated or who has knowledge that another employee feels threatened or intimidated, is to report the relevant facts to his/her supervisor, or if the threat arises from the supervisor, to the President. Reports will be investigated and the person who made the report will be informed of the results of the investigation. Discipline will be appropriate to the behavior and may include termination.

Substance Abuse

Speck Pumps is committed to maintaining the safety and health of its employees and will not tolerate the use of any illegal drugs or alcohol or the improper use of legal substances in the workplace. Speck Pumps prohibits the use, possession, manufacture, distribution, dispensation or sale of drugs on Company property or in a Speck Pumps vehicle. Employees may not report to work impaired by alcohol or illegal drugs, and may not use such substances while on duty.

Right to Inspect

To the extent permitted by applicable law, Speck Pumps reserves the right to inspect the property and person of any individual or vehicle on Company property. The right to inspect includes, but is not limited to, the inspection of employee's vehicles, parcels, packages, purses, lunchboxes, brief-cases, lockers, workstations and desks.

Dress Code

The image of Speck Pumps is influenced by the appearance of its employees. We are all expected to practice good hygiene and keep a clean, neat professional appearance and to dress in appropriate attire. Employees should dress accordingly to their daily tasks. If an employee is meeting with customers or knows visitors will be in the office, they should dress in appropriate business attire.

Inappropriate clothing includes but is not limited to, any revealing clothing or clothing displaying provocative messages or emblems; these items are prohibited. Safety is also a concern with work attire. Clothing and accessories that may interfere with a job function are prohibited. Any employee who performs any work assignments in production areas or in the factory must wear closed-toed shoes. Keep in mind that shoes should cover the majority of the foot area. Office employees may want to consider having a closed-toed pair of shoes on hand for those times they are working in production areas or in the factory.

Managers and supervisors are responsible for interpreting and enforcing dress and grooming standards in their areas of responsibility. This includes counseling employees whose appearance is inappropriate. Any questions or complaints that cannot be handled to an employee's satisfaction by his or her supervisor or manager should be taken to the Human Resources department. Any employee whose appearance does not meet these standards will be counseled by his/her supervisor or manager. If the appearance is unduly distracting or the clothing is unsafe, the employee may be sent home to correct the

problem. Repeated disregard for this dress and grooming Policy may result in disciplinary action up to and including termination of employment.

Work Related Injuries (Workers Compensation) / Accidents

It is the Policy of Speck Pumps to insure necessary and appropriate medical care to all employees who have sustained a work-related injury. The Company is in compliance with all federal and state requirements and coverages. In order to comply with federal and state requirements, it is very important that the following procedures be handled in an accurate and timely manner.

Work-Related Injuries

Employee Responsibilities:

Employees are required to immediately (at the time of occurrence) report any work-related injury (no matter how minor) to their supervisor.

If it is not a medical emergency, the employee is required to complete a Personal Injury-Employee Form. In the event of a medical emergency, the supervisor will assist the employee.

If the employee is put on temporary disability or transitional duties for the injury the employee is required to call their supervisor from the physician's office to discuss their status and to provide a physical statement to their supervisor stating specific dates for time missed and/or work restrictions.

Vehicle Accidents or Property Damages

Employees are required to immediately report any work-related accident to their supervisor and to complete a written notification form that prompts an immediate accident investigation by the Company.

Meal Periods

All full time regular employees are provided with one meal period of thirty (30) minutes in length each work day. Supervisors will schedule meal periods to accommodate operating requirements. Employees will be relieved of all active responsibilities and restrictions during meal periods and should not use meal times for work.

Smoking Regulations

Smoking is prohibited in all of Speck Pumps' facilities. On Company property, smoking is only allowed in the Gazebo area.

Subject: Benefits
Organization: Speck Pumps
Employee Benefits Policies - 005-0117

Entertainment and Travel Expense Policy

This policy contains guidance and limits for entertainment and travel. If unclear on items regarding this policy, refer to your supervisor. Employees who do not comply with this policy may be subject to disciplinary action. Speck Pumps assumes no obligation to reimburse employees for expenses that are not in compliance with this policy. Employees must obtain approval for all entertainment and travel in advance from the company President or Director of Sales and Marketing. This policy is designed to facilitate successful and cost effective travel.

Entertaining Customers

Prior approval from the company President or Director of Sales and Marketing is required for entertainment expenses. These include events such as nightclubs, theatre and sporting events, where by a business discussion takes place during, immediately before, or immediately after the event. Approval is only granted if the person entertained has a potential or actual business relationship with Speck Pumps.

Business Meals: The following guidelines apply when a Speck Pumps employee is meeting with a customer, prospective customer, manufacturer's sales representative or vendor.

- If the business meal is with a vendor, and the vendor is visiting Speck Pumps Corporate Offices, the Speck employee may pay for the meal using the company issued credit card.
- If the business meal is with a vendor, and Speck employees are visiting a Vendor's location, the Vendor is expected to pay for the meal.
- If the business meal is with a customer, prospective customer or manufacturer's representative, the Speck employee may pay for the meal using the company issued credit card.

Note - the following will not be reimbursed under any circumstances:

- Gentlemen's Club membership dues or "expenses"
- Escort services (neither men nor women)
- Gambling expenses

Alcoholic Beverages: Speck Pumps policy is to refrain from consuming alcoholic beverages while traveling on company business.

Speck Pumps will not reimburse employees for alcoholic beverage purchases when traveling on company business unless employee is entertaining customers, vendors and/or manufacturer sales representative. The Company expects the employee will act responsibly and avoid excess.

If employee has any concerns that he/she is not capable of safely driving after such events, the Company will reimburse the cost of alternative transportation to ensure that the employee does not place themselves or others in danger. An employee, who is arrested and convicted for Driving Under the Influence while in the performance of company business, or returning from a business function, is subject to disciplinary action up to and including termination.

Expense Detail Sheets

Employees must file Expense Detail Sheets no later than three days following the completion of the trip or of incurring the expense.

Documentation Requirements - Employees must provide the following information for all business related meals or entertainment expenditures:

- Names of individuals present, their titles and company name
- Name and location where the meal or event took place
- Exact amount and date of the expense
- Detailed and itemized receipts for all expenditures

Employees must submit the following documentation with their Expense Detail Sheets:

- Air/Rail – original passenger receipt
- Hotel – hotel folio and the credit card receipt or other proof of payment
- Car Rental – credit card receipt or rental agency invoice
- Entertainment – detailed and itemized credit card receipt or register receipt for all expenses

Note: credit card statements are not considered an acceptable form of receipt.

When a receipt is not available, a full explanation of the expense and the reason for the missing receipt is required. Actual bills/receipts must be submitted whenever possible. Photocopies will be acceptable only with a detailed explanation as to why the original is unavailable. All expenses must be reported, regardless of how they were paid.

Expense Detail Sheets that are incorrect, incomplete, or have disorganized receipts will be returned to the employee. Expense Detail Sheets containing entries that cannot easily be support by receipts will be returned to the employee. Returned Expense Detail Sheets must be corrected and resubmitted within 24 hours.

Please refer to the Employee Handbook for policy regarding misuse of Company Credit Cards. Disregard for company policy or altering of receipts can result in disciplinary action up to and including termination.

Travel Arrangements: Lodging

Hotel reservations should be made in such a manner as to secure the best available rate and must be booked with the assistance of the company Travel Coordinator. Employees are required, whenever possible, to use properties in the Moderate category.

In case of cancellation:

- Employees are responsible for working with the company Travel Coordinator to cancel the reservation.
- Employees will be held responsible and will not be reimbursed for “no-show” charges unless there is sufficient proof that the billing is in error or circumstances were beyond the traveler’s control.
- Employees should request and record the cancellation number in case of billing disputes.
- Employees should note that cancellation deadlines are based on the local time of the property.

Travel Arrangements: Air/Rail Transportation

Air and Rail travel reservations are to be made by the company Travel Coordinator. All air travel must be in coach class.

When traveling by air employees are expected:

- To use the lowest logical airfare available.
- To reserve airfare as far in advance as possible
- To use non-direct flights when the savings are substantial

Upgrades for Travel: Upgrades for air travel are not reimbursable. If an employee wishes to upgrade, it is done at the employee's expense.

Cancellations: If a trip is cancelled after the ticket has been issued, the traveler should inquire about using the same ticket for future travel. Employees should reuse airline tickets if they are traveling on the same route or airfare eligibility requirements are met.

Unused/Voided Tickets: Unused airline tickets or flight coupons must never be discarded or destroyed as these documents may have a cash value. To expedite refunds, unused or partially used airline tickets must be returned immediately to the company Travel Coordinator. Employees must NOT include unused tickets with their Expense Detail Sheets.

Lost or Stolen Tickets: Immediately upon discovery of a lost or stolen ticket, the traveler must:

- Report the loss to the company Travel Coordinator who will file the lost ticket application
- Fill out a lost ticket application at the airline ticket counter

Airport or Train Station Parking: When parking at an airport or train station is part of business travel, it is expected that employees will utilize Long Term Parking lots for trips longer than two days and in no case use the short term hourly parking lot.

Travel Arrangements: Auto Travel

Employees may rent a car to get to their destination when driving is more cost effective than airline or rail travel. All rental car reservations are to be made by the company Travel Coordinator. Employees may rent a car at their destination when it is less expensive than other transportation modes such as taxis, airport limousines and airport shuttles or when entertaining customers. Whenever multiple employees are traveling together, every effort to rideshare or carpool must be made. Employees must reserve a car in the compact rental car category. When picking up a rental car, check with the rental car agent for any promotional rates, last-minute specials or free upgrades. At the time of rental, inspect the car and be sure that any damage found is noted on the contract before the vehicle is accepted. When plans change, employees are responsible for working with the company Travel Coordinator to cancel rental car reservations.

Employees may book a car rental class of service one level higher when:

- The traveler can be upgraded at no additional cost
- Entertaining more than one customer
- Transporting excess baggage such as booth displays

Domestic travelers should always accept the collision insurance offered by rental agencies but should decline all other offered insurances. International travelers should accept insurances necessary for the specific country. Additionally, whenever possible, the prepaid gas options should be declined.

Rental cars must be returned as follows:

- To the original rental city unless approved for a one-way rental
- Intact (i.e. no bumps, scratches, or mechanical failures)
- On time, to avoid additional hourly charges
- With a full tank of gas

Should a rental car accident occur, employees should immediately contact the rental car company, local authorities (as required), and the Speck Pumps Human Resources Department.

Rental Car Gas: Employees must utilize their company issued credit card to purchase gasoline for use in rental cars. Make sure to log this expense as AUTO RENTAL & GAS.

Cell Phone use while driving: Use of a cell phone while driving is not allowed. Refer to Cell Phone Usage Policy.

Taxi / Shuttle / Parking Fees: The use of airport shuttles and taxis upon arrival at the employee's destination is the preferred mode of transportation. Make sure to ask for a receipt if one is not offered. This documentation aids in the expense-tracking process.

Business Use of Personal Vehicle: Upon approval, employees may use their personal vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternate transportation. Personal vehicles may also be used when transporting company goods for delivery or entertaining clients.

It is the personal responsibility of the vehicle owner to carry adequate insurance coverage for their protection and for the protection of any passengers. Speck Pumps requires that employees who regularly use their personal vehicle for Company business maintain minimum of \$100,000/\$300,000 bodily injury coverage and \$50,000 property damage coverage on their vehicles.

Mileage is reimbursed at the rate established by the IRS. This mileage allowance is in lieu of actual expenses for gasoline, oil, repairs, tags, insurance, and depreciation. Therefore, actual expenses for those items will not be reimbursed when your personal vehicle is used for business.

To be reimbursed for the use of your personal vehicle for business, employees must list on the Expense Detail Sheet:

- Date and purpose of the trip
- Locations traveled to and from
- Mileage

Travel Arrangements: Meals

Personal Meals: Defined as meal expenses incurred by the traveler when dining alone on an out-of-town business trip. Speck Pumps policy is to refrain from consuming alcoholic beverages while traveling on company business. Alcoholic beverages are not to be purchased with personal meals.

Approximate meal expense guidelines are as follows:

- \$15 a day for breakfast and lunch combined
- \$20 a day for dinner

Business Meals: Employees may use their company issued credit card for business-related meals taken with other employees only in the following circumstances:

- When a client is present

- When at least one company employee is from out of town
- When, for confidentiality reasons, business must be conducted off company premises

If multiple employees are present, the person in attendance with the most senior title must put the expense on his/her Expense Detail Sheet.

Miscellaneous Expenses

Internet Use: Employees should not pay for internet use in hotels, airports or restaurants. Employees should ask hotel front desk or other knowledgeable person where the nearest free WIFI/wireless internet location is. Charges for internet use are only reimbursable if use of internet is emergency and employee is unable to locate a free internet connection

Credit Cards

Customer Credit Card Information

Any person involved in the illegal use of a Customer's credit card and/or who has knowledge of such use is committing a criminal offense. Law Enforcement will be contacted and the employee(s) in question will be suspended pending an investigation. All employees involved with credit card processing must be intensely aware of protecting this confidential information 100% of the time. No records are to be kept of a credit card number for future use. Failure to adhere to security policies is grounds for disciplinary action. This issue affects us all and violation of the Policy will not be tolerated.

Company Credit Cards

In an effort for smooth business transactions, some employees may be issued a Company credit card. All transactions on cards should be for business purposes only. These cards are not for personal use. If an employee uses a Company credit card for personal use by accident, they must report the use as soon as possible to the Company credit card processor and arrange immediate payment for the charge. Charges without a scheduled payment plan prior to the next credit card billing cycle may be deducted from an employee's wages. Abuse of a Company credit card may result in disciplinary actions and/or termination of card use.

Health / Dental / Vision / Other Insurance Benefits

The company offers its employees a full array of employee benefits including

1. Health Insurance (Employee / Company Shared Cost)
2. Dental Insurance (Employee / Company Shared Cost)
3. Life Insurance (Employee / Company Shared Cost)
4. Supplemental Life Insurance (Employee Paid)
5. Short Term Disability (Employee Paid)
6. Long Term Disability (Company Paid)
7. AD&D insurance (Employee Paid)
8. 401K retirement account

Subject: Safety and Health
Organization: Speck Pumps
Employee Safety and Health Policies - 006-0117

Accident and Injury Reports

Reporting Accidents and Injuries

All work-related accidents and injuries, no matter how minor, should be reported to your supervisor immediately. This is for your protection in case medical attention is necessary or in the event of some future complication caused by the accident.

If first aid is necessary, your supervisor will instruct you to go to one of the occupational health clinics designated by our healthcare provider. If needed, transportation will be provided. The proper treatment will be obtained for all injuries that require professional medical care.

It is the policy of the company to require that all employees submit to a drug and alcohol test after an on-the-job accident or injury. The tests will be paid for by the company and the results will be kept strictly confidential.

The company provides workers' compensation insurance on every employee. It protects you for loss of pay and time and for the cost of medical care for injuries sustained while working. There is a 1-week waiting period before compensation begins.

If you are involved in an automobile accident, we require that you:

Obtain all information relating to the accident in a professional manner, including the names and addresses of any witnesses.

Do not negotiate the settlement of any claim, promise payment for any injury or damage, or admit liability.

You must complete a written report for all accidents and injuries as soon as possible. Forms are available from both the accounting and the parts departments. Completed accident reports provide necessary information to the accounting department to allow the processing of claims with our or the other motorists' insurance companies. Any damage to your vehicle, no matter how slight, must be noted on the accident report. Failure to complete an accident report will make the cost of all damage the responsibility of the employee.

Safety Policies

The company seeks to provide safe working conditions for all employees, to provide instructions covering safe working methods, and to make available special equipment required to protect employees against particular hazards.

General Safety Rules

Safety rules are primarily for employee protection. Injuries impose severe burdens on employees and their families. They often result in loss of pay and can lead to permanent disability or disfigurement.

The observance of the following fundamental safety rules should impose no hardship on anyone. It will make Speck Pumps a better and safer place in which to work and with which to do business.

- Waste and trash containers must be used to keep work areas clean and orderly.
- Aisles, hallways, and fire exits must always remain open.
- All water, oil, chemicals, or grease on the floor must be removed immediately.
- All gasoline and/or oil soaked rags and papers must be disposed of in approved safety containers. Where no such containers are available, employees should contact their respective supervisors.
- All gasoline and other flammable liquids must be stored in approved and properly labeled safety containers at all times.
- All stored materials must be stacked properly on a firm and even foundation. Stacks must not be allowed to reach a hazardous height, and where possible, stacks must be cross-tied or braced for mutual support.
- All standard safety procedures must be followed. When starting, stopping, or changing the speed of machinery, operators must ensure proper clearance of other individuals, debris, and materials.
- All guards must be in place when machines are in operation.
- Hands and feet must not be placed in moving machinery.
- Machines appearing to be electronically or mechanically unsafe must not be operated. Under such circumstances, such equipment must be locked or tagged out and the employee must notify their supervisor immediately.
- Upon repairing or adjusting equipment, employees must follow safe operating procedures such as the proper use of lockouts and safe buttons. Further, the power source to such equipment must be locked or tagged out.
- Employees must familiarize themselves with all firefighting and evacuation procedures. Employees should further familiarize themselves with all exits proximate to their work area. Access to firefighting equipment must be kept clear.
- The use of all fire extinguishers, regardless of type, must be reported to the employee's supervisor and exchanged for a full extinguisher.
- Each employee must be aware of the location of safety showers and eye wash stations. Such areas shall not be obstructed.
- No smoking is allowed except where specifically authorized.
- Tools, personal safety, and other equipment shall be maintained in good serviceable condition. Tools must be used in a safe manner, and should not be used where they are mushroomed, broken, or badly worn. All electrical tools must be grounded, unless they are double insulated. Broken or badly worn tools should be given to the employee's supervisor for repair or replacement.
- Protective equipment and clothing, including, but not limited to safety shoes, safety glasses, goggles, and hearing protection must be worn where required.
- Employees are prohibited from wearing clothing or clothing accessories which interfere with their work responsibilities or could potentially get caught in machinery or other equipment. Employees may be prohibited from wearing items such as rings, bracelets, and necklaces that could catch or create electrical contact points in areas where such could occur.
- When work conditions require, employees are prohibited from wearing long or flowing hair unless confined by a hair net. Beards and mustaches may be prohibited in areas where they may be caught in equipment or prohibit protective breathing equipment from operating satisfactorily.
- Disorderly conduct, running, or horseplay on Company premises is prohibited.
- All injuries and accidents (including but not limited to those involving Company vehicles) regardless of their severity, must be reported immediately to the employee's supervisor in line with the Company's Policy on Work Related Injuries.

- All injured employees are required to report for treatment as requested by a doctor or medical provider. Employees will not be permitted to return to work without written approval of a doctor or medical provider.
- All caution signs must be observed.
- Employees who observe an unsafe condition are required to report it to their respective supervisor immediately.
- Safety equipment shall not be rendered ineffective.
- Access to electrical breaker panels must be kept open at all times. Temporary or permanent storage of materials should be avoided within three feet of any electrical panel. Panel doors should be closed when not in use.
- Employees shall not operate any machinery or equipment unless properly trained. Where an employee requires training to complete a job within the employee's job responsibilities, the employee shall coordinate such training with the employee's supervisor.
- Portable electronic devices, including all phones, and radios are prohibited for use by employees during working hours or while operating Company vehicles if they cover both ears. Single ear pieces are acceptable only if employee is capable of hearing at all times. Texting while driving is prohibited.
- Extension or drop cords shall not be placed in areas where they will create tripping or other hazards.

Employees are to observe all applicable safety requirements, to make sure that they and their vehicles have all available safety equipment, to use the safety equipment provided, to practice safety at all times, and to report immediately any unsafe or hazardous conditions to a supervisor. Employees are to help detect and eliminate unsafe conditions or acts at all times.

Violation of safety rules may result in discipline up to and including discharge. Failure to report accidents may result in discipline up to and including discharge. Refer to the disciplinary policy for details.

All employees are to attend safety training meetings arranged by the company. Speakers from outside agencies, such as the American Red Cross or insurance companies, may be scheduled, and attendance is mandatory. Employees will be paid the applicable minimum wage for time spent in mandatory safety training.

Employees are to report immediately all safety violations and all accidents. Supervisors are to investigate and report each safety violation and each accident.

The safety manager will periodically review all safety policies, conduct periodic safety inspections, identify personal protective equipment needs and provide refresher training for all employees.

The Human Resources department will enforce the company's fitness for duty policy, including the requirement for medical examinations as appropriate. The Human Resources department is also responsible for compliance with the company's workers' compensation program.

Employees who violate safety rules, fail to report safety violations, fail to report accidents, make false statements in an investigation, fail to provide information in an investigation or fail to attend safety meetings are subject to discipline which can include termination of employment.