



ROAD WORK AHEAD, INC.
Construction Supply
Traffic Services



SAGE SUPPLY, INC.

Employee Handbook

The purpose of this employee handbook is to provide information including general rules of conduct, safety regulations, and disciplinary rules. Nothing in this handbook or any verbal statement shall be construed or considered to be, in any way, as creating any type of employment contract or a guarantee of employment, either express or implied. The policies and other information contained in this handbook are subject to change at any time due to business needs. RWA will normally attempt to provide employees with advance notice of any changes; RWA reserves the right to alter these policies at any time without advance notice.

Your employment with RWA is at an at-will-basis and nothing contained in this handbook is intended to provide or guarantee you with employment for any specific time period. This at-will employment relationship may only be modified by a written contract signed by the employee and an officer of RWA. Any questions that you may have concerning the terms of your employment should be referred to your immediate supervisor.

RWA strives to provide an employee friendly environment. These policies, procedures, and working conditions provide a work environment in which both customer and employee interests are served.

For the purposes of this manual, RWA encompasses Road Work Ahead Construction Supply, Road Work Ahead Traffic Control Services, and Sage Supply.

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1.0 Introduction to the Company

1.01 Company Information

RWA and Sage Supply have been in business since 2001. Since then we have continued to grow as a company and we continue to expand our service base. RWA is an umbrella corporation that is made up of RWA Traffic Services, RWA Construction Supply, and Sage Supply. RWA has locations in Twin Falls and Boise.

RWA and Sage Supply manufacture Integriseal sealcoat. Sealcoat is a liquid coating mixture that is applied to asphalt based pavement that helps extend the life of asphalt pavements by minimizing UV and water damage. We also offer a wide range of sealcoat supplies, including tack oil (a bonding agent used to help old asphalt stick to new asphalt) which is often used in street repairs.

RWA and Sage Supply also have a sign shops, which specializes in custom traffic signs. In addition to traffic signs, both locations produce real estate signs, banners, custom decals, and magnets; the only limit to what RWA and Sage Supply can put on a sign is your imagination. Our signs are manufactured with a quick turnaround time—usually within 24 hours.

RWA Traffic Control Services provides traffic control to all of Southern Idaho. In addition to safety personnel, RWA also provides traffic control planning to help make job sites safe for both workers and the public. The traffic control side also provides emergency response services for times when planning ahead is not an option.

1.02 Mission

RWA and Sage Supply will become central to providing traffic control services, sealcoat material manufacturing and construction supplies to Idaho and beyond.

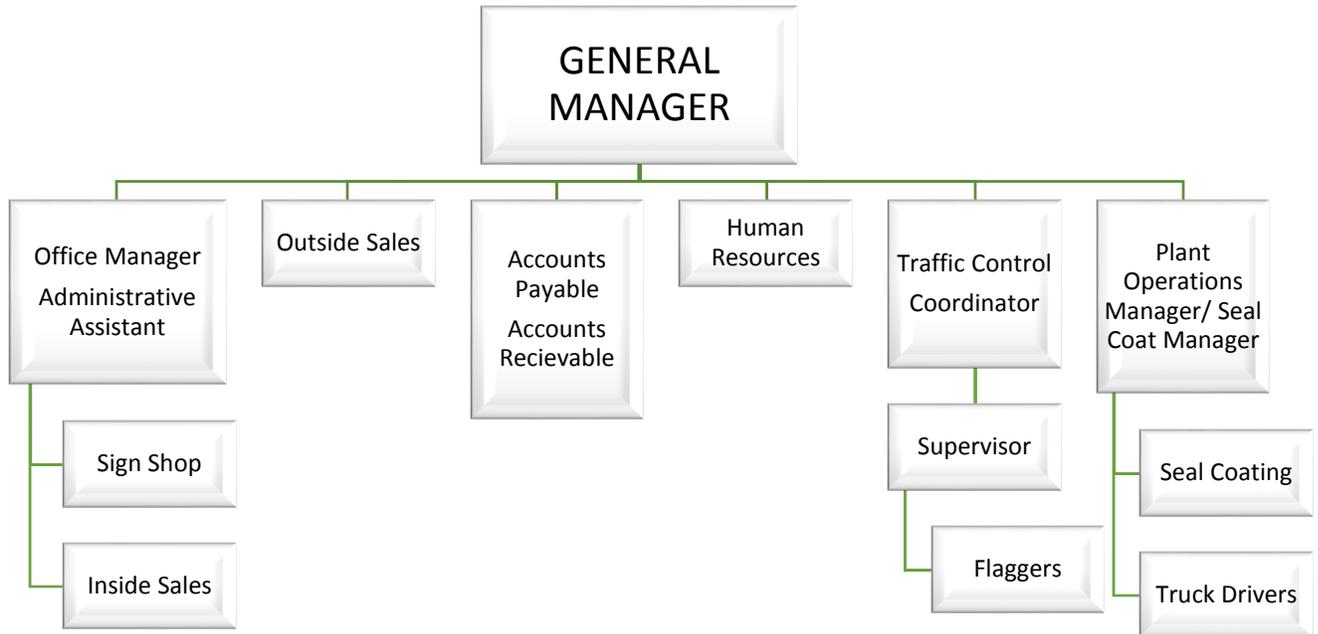
1.03 Vision

By empowering our employees, RWA and Sage Supply will continue to find new customers and create brand loyalty in existing customers all while offering superior customer service, quality products, and quick response times at a fair price.

1.04 Values/Ethics

Provide a high level of safety for our employees and complete customer satisfaction.

1.05 Organizational Chart



2.0 Selection Policies

2.01 Recruiting Administration

The director of recruiting will oversee all recruiting and hiring needs in the Company. All applications, both internal and external, will be administered through the director of recruiting.

2.02 Internal Job Postings

Internal jobs will be advertised through the placing of a notice in all current employees' pay check.

2.03 Hiring Procedure Administration

The recruiting director along with management will put in place standard hiring procedures for the Company.

2.04 Background Check

The Company may do a background check as they see fit at their own expense.

2.05 Drug Testing

All new employees are subject to a random drug test within the first 90 days of employment. Employees with a commercial driver's license will be subject to DOT regulations and are required to submit to a drug test before employment.

All flaggers will undergo, and be expected to pass, a pre-employment drug test.

2.06 Equal Employment Opportunity Policy

It is the policy of RWA to comply with the guidance set forth in Title VII of the Civil Rights Act of 1964, as amended from time to time, and that appropriate consideration be given to all applicable federal and state laws regarding employment.

RWA will recruit, hire, train, promote, classify, transfer, discipline and discharge all persons without regard to race, religion, sex, age, national origin, or disability. No job or class of jobs will be closed to any individual except where a mental or physical attribute, sex, or age is a bona fide occupational qualification.

RWA as an employing agency is subject to Section 503 of the Rehabilitation Act of 1973 and the Vietnam Era Veteran's Readjustment Assistance Act of 1974.

RWA, has and continues to seek, employ, and promote the best-qualified employees and applicants without regard to race, religion, color, age, sex, national origin, or disability. Positive action is taken to ensure the fulfillment of this policy by stressing greater recruiting of minorities, females, veterans and differently-abled individuals.

2.07 Equal Pay Act

RWA complies with all applicable federal, state, and local laws regarding compensation, including all provisions of the Equal Pay Act (EPA) which prohibits employers from paying workers of one gender more than workers of the other gender to do equal work.

To be considered equal work, the jobs must require equal skill, effort, and responsibility and must be performed under similar working conditions. Compensation considerations may be made for non-discriminatory reasons, such as seniority, job performance or productivity, etc.

An employee who perceives an issue regarding compliance to the Equal Pay Act may report the problem to their supervisor or Human Resources.

2.08 Immigration Law Compliance

RWA is required by federal law to verify that all employees are eligible to work in the United States within 3 days of hiring. The company will comply with these laws by requiring the employee to show proof that they are eligible to work in the country. The Employment Eligibility Verification Form (I9 Form) has the acceptable forms of identification required.

New employees, as well as rehires, are required to complete forms upon hire and provide documentation to Human Resources within three (3) business days of the date of employment. If an employee fails to provide documentation within three business days, the employee will not be allowed to continue to work until documentation is provided. Additionally, RWA can terminate an employee for failing to provide proper documentation.

When an employee legally changes his or her name, or their citizenship status changes, they must contact Human Resources to ensure proper documentation is updated.

2.09 Employment Categories

Exempt Staff

Employees who occupy positions that are determined to be exempt under the Fair Labor Standards Act do not receive overtime pay.

Non-Exempt Staff

Employees who occupy positions that are determined to be non-exempt under the provisions of the Fair Labor Standards Act are eligible for overtime for hours worked in excess of 40 hours during the work week, or for work in excess of eight hours in a day.

- Full-Time Employees: Reasonable expectations that you will be working more than an average of 30 hours per week.
- Part-Time Employees: Reasonable expectations that you will be working more than an average of 30 hours per week.

2.10 Disability Accommodation

RWA complies with the provisions of the Americans with Disabilities Act (ADA) which prohibits discrimination against qualified individuals with a disability. This covers both applicants and employees that meet the qualification requirements of the position, can perform the essential functions of the position with or without reasonable accommodation, and have a disability as defined by the ADA. In general, it is the responsibility of the individual with a disability to request an accommodation from RWA.

Accommodation in the Hiring Process: Upon request, reasonable accommodations will be made for qualified persons with disabilities. Applicants should submit requests for accommodation to the Human Resources Department upon applying for employment. Human Resources will review requests on a case-by-case basis.

Reasonable Accommodation in Employment: Once the need for reasonable accommodation arises either by the employee's request or by RWA's knowledge of the employee's disability, the general manager and Human Resources will engage in an interactive process with the employee to determine if a reasonable accommodation is available. The interactive process may include, but is not limited to: review of the essential functions of the job, dialogue with the individual to ascertain the job-related limitations, consulting with the individual's physician regarding their disability, and working with the employee to identify the potential accommodations, etc.

Reasonable accommodations may include training, modification of equipment and devices, modification of departmental policies, granting leave, reassignment to a vacant position, modifying work schedules, making facilities accessible, or job restructuring. Several factors will determine if an accommodation can be granted, and employees must recognize that each request will be reviewed on its own merits and circumstances. An accommodation may be denied if it creates an undue hardship for RWA.

Employees who wish to request an accommodation under the ADA may submit their request to Human Resources. RWA may request additional information from the employee and their health care provider to verify the disability and recommend possible accommodations. If an employee fails to provide the necessary information for the request to be reviewed, the request for accommodation may be delayed or denied pending more information. Current employees who are temporarily unable to perform the essential functions of their position due to medical restrictions that cannot be reasonably accommodated may be eligible for transitional or light duty positions.

2.11 Cobra Continuation Coverage Rights

Introduction

This section has important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect your right to get it.** When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and other members of your family when group health coverage would otherwise end. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

You may have other options available to you when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

What is COBRA continuation coverage?

COBRA continuation coverage is a continuation Plan coverage when it would otherwise end because of a life event. That is also called a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event.

If you're an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan of the following qualifying events:

- Your hours of employment are reduced, or
- Your employment ends for any reason other than your gross misconduct.

If you're the spouse of an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- Your spouse dies;
- Your spouse's hours of employment are reduced;
- Your spouse's employment ends for any reason other than his or her gross misconduct;

- Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because of the following qualifying events:

- The parent-employee dies;
- The parent-employee's hours of employment are reduced;
- The parent-employee's employment ends for any reason other than his or her gross misconduct;
- The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- The parents become divorced or legally separated; or
- The child stops being eligible for coverage under the Plan as a "dependent child."

When is COBRA continuation coverage available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. The employer must notify the Plan Administrator of the following qualifying events:

- The end of employment or reduction of hours of employment;
- Death of the employee;
- The employee becomes entitled to Medicare benefits (under Part A, Part B, or both).

For all qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days after the qualifying event occurs. You must provide this notice to: Department of Human Resources, 729 Commercial Avenue, Twin Falls, ID 83301, 208-734-4444.

How is COBRA continuation coverage provided?

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouse, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage that generally lasts for 18 months due to employment termination or reduction of hours of work. Certain qualifying events or a second qualifying event during the initial period of coverage, may permit a beneficiary to receive a maximum of 36 months of coverage.

Disability extension of 18-month period of COBRA continuation coverage

If you or anyone in your family covered under the Plan is determined by Social Security to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to get up to an additional 11 months of COBRA continuation coverage, for a maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of COBRA continuation coverage.

Second qualifying event extension of 18-month period of continuation coverage

If your family experiences another qualifying event during the 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if the Plan is

properly notified about the second qualifying event. This extension may be available to the spouse and any dependent children getting COBRA continuation coverage if the employee or former employee dies; becomes entitled to Medicare benefits (under Part A, Part B, or both); gets divorced or legally separated; or if the dependent child stops being eligible under the Plan as a dependent child. This extension is only available if the second qualifying event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

Are there other coverage options besides COBRA Continuation Coverage?

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse’s plan) through what is called a “special enrollment period.” Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

If you have questions

Questions concerning your plan, or your COBRA continuation coverage rights should be addressed to the contacts identified below. For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor’s Employee Benefits Security Administration (EBSA) in your area or visit www.dol.gov/ebsa (addresses and phone numbers of Regional and District EBSA Offices are available through EBSA’s website). For more information about the Marketplace, visit www.healthcare.gov.

Keep your Plan informed of address changes

To protect your family’s rights, let the Plan Administrator know about any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

Plan contact information

Department of Human Resources
729 Commercial Avenue
Twin Falls, ID 83301
208-734-4444

3.0 Work Rules/Discipline

3.01 Disciplinary Actions and Progression

The general manager will oversee disciplinary action. Work rules and standards are set forth to provide continuing service to our customers, protect the safety of our employees and protect the goodwill of our company. These rules and standards are specified below. Changes and modifications to work rules will be at the discretion of the general manager or an appointed company officer.

Examples of standards of conduct for which any employee may be dismissed (terminated), suspended without pay, demoted, placed on probation, or otherwise disciplined are listed below by way of illustration and not limitation.

1. Failure to perform the duties and carry out the obligations imposed by the Federal and State Statutes, City and County Ordinances, or rules & regulations of his or her job duties.
2. Violations of the policy, ordinances, rules or administrative regulations.
3. Violation of the policy on Discriminatory Workplace Harassment.
4. Violation of the Drug Free Workplace policy.
5. Failure to abide by pertinent Federal and State statutes as well as RWA policy regarding records retention, dissemination of information, and/or disclosure of confidential information.
6. Inefficiency, incompetence, or negligence in the performance of duties.
7. Unavailability for work due to incarceration.
8. Being convicted of, or pleading guilty to, a crime, based on the merits of the case.
9. Failure to report convictions, or engaging in any criminal activity on or off duty, or being charged with a crime, the basis for which appears to the general manager to be sound.
10. Being convicted of, or pleading guilty to, a charge of traffic violations while operating a RWA vehicle, or his/her private vehicle while on company duty.
11. Failure to report driving restrictions, suspension of driving privileges, or any possible impairment of driving abilities when the position requires the employee to drive a company vehicle or his/her private vehicle on company duty.
12. Abusive language or offensive conduct toward any employee, supervisor, or the public.
13. Initiating a fight or creating a disturbance among fellow employees, resulting in an adverse effect on morale, production, or maintenance of proper discipline.
14. Failure to follow or observe safety rules, whether established by RWA or outside agencies.
15. Failure to report a work-related accident or injury in accordance with RWA policy.
16. Intentionally filing false claims of injury to obtain Worker's Compensation benefits.
17. Misstatement or deception, or falsification or unauthorized destruction of official reports or records, time cards, computer files, financial records, etc.
18. Willfully giving false statements to supervisors, officials, or the public.
19. Authorizing or receiving compensation for hours not worked, goods not received, or services not performed.
20. Abuse of benefit offerings, fraudulent use of, or participating in, any scheme or deception designed to create incorrect personnel records or claim or obtain benefits which are not deserved in accordance with policy.
21. Failure to report for duty at the assigned time and place, or as scheduled.
22. Unnecessary or unauthorized use of paid leave time privileges, or any unauthorized leave.
23. Careless, negligent, or improper use of RWA property, either on or off duty, at any time or location.
24. Unauthorized operation of RWA machines, tools, equipment or vehicles; or causing damage or loss of tools, parts, equipment or other RWA property due to carelessness, including unauthorized alteration or manipulation of computer files
25. Using work time or public premises to promote religious beliefs to members of the public or fellow employees.
26. Insubordination, such as refusal to accept or obey a reasonable and proper assignment from an authorized supervisor.
27. Breach of confidentiality and/or false charges regarding RWA policies or procedures;

28. Engaging in malicious gossip, spreading rumors, being disruptive, engaging in behavior that creates discord, uncooperative behavior, or willfully interfering with another employee's work or encouraging others to do the same.
29. Engaging in unproductive behavior, including, but not limited to: using work time or RWA equipment for personal business, prolonged visits with co-workers, family or friends, taking long or unauthorized breaks, excessive time away from assigned work area, etc.
30. Sleeping or loafing on duty; employees shall be attentive to their work at all times.
31. Refusal to comply with the established dress code policy. Clothing should be appropriate for the functions performed.
32. Accepting secondary employment that interferes or conflicts with RWA employment.
33. Use of phone or computers in violation of policy or in a manner which disrupts workplace productivity; excessive personal use or placing personal long-distance calls.
34. Violation of RWA's Smoking/Tobacco usage policy.
35. Unauthorized access, use, or possession of the personal property of a fellow employee.

All discipline will be considered written and will be documented and placed in the employee's file. Final written warnings will be issued for repeat behavior, or when circumstances of additional or separate incidents warrant. In addition, certain behaviors may lead to probation, suspension from work with or without pay, transfer or demotion in status, or termination from employment with RWA. In appropriate circumstances, criminal prosecution may also be applicable. A single incident of misconduct may result in severe disciplinary measures including, but not limited to, suspension or discharge, and in that instance, need not be preceded by lesser forms of disciplinary action.

- A. Written Warning - Discussion with an employee about a problem, with verbal instruction of corrective behavior or suggestion(s) for improvement. The supervisor will document this warning, and the employee will sign the document, acknowledging that the conversation took place.
- B. Final Written Reprimand/Warning - Written record which is discussed with the employee and outlines specific issues and necessary corrective action. The employee shall sign the warning as recognition that the warning was issued. An employee may be placed on probation or have their probation period extend if notice is provided in the written reprimand. A final written warning comes with the understanding that if the behavior continues, termination is the next disciplinary step.
- C. Severe Discipline - Suspension without pay, demotion, or termination of employment.

3.02 Appeals

All appeals will be through the Idaho Department of Labor.

3.03 Work Breaks

Due to the nature of the jobsite and safety issues involved with stopping the combined operation, there will be no regularly scheduled coffee breaks. If you wish to carry a thermos of coffee, or a beverage to drink when you have free time as designated by your supervisor, you may do so,

provided it does not interfere with assigned work or jobsite safety. Any person taking a break at the jobsite should have their position covered either by the contractor, who assumes all responsibility, or by the Job Site Coordinator.

3.04 Lunch Breaks

For flaggers: Lunch breaks are 30-60 unpaid minutes each day. The company requires each employee to bring his or her lunch and remain near the work area during their lunch period. The following rules apply to all employees below the executive staff level:

1. No company vehicle will be driven to lunch without prior consent of the traffic control coordinator.
2. The 30-60-minute break is from the time your work stops until it resumes.

If the contractor you are working for continues to work during your lunch break, RWA will attempt to send a crew to help administer breaks. It is important not to leave an active job site unattended at any time.

For all other employees: Lunch breaks are 60 unpaid minutes each day. The following rules apply to all employees below the General Manager staff level:

1. No Company vehicle will be driven to lunch without prior consent of the General Manager.
2. The sixty-minute break is from the time your work stops until it resumes.

3.05 Moonlighting

Moonlighting is prohibited for salaried personnel. Sealcoat plant personnel are required to sign a non-disclosure, non-compete clause. Hourly personnel may work for other employers and are prohibited from using company time and equipment while doing so. Hourly personnel are expected to meet availability requirements to maintain work eligibility.

3.06 Personal Behavior

RWA employees are always expected to conduct themselves in a mature, responsible and considerate manner. Employees should be aware that any of the following violations of the rules of good conduct may be cause for termination of the employment relationship. RWA considers the following list, but does not limit the major items, to be misconduct:

1. Discourteous and rude behavior to the public and customers of RWA.
2. Deliberate or careless damage to RWA property or the property of others.
3. Failure to observe safety rules and procedures.
4. Collection of funds or solicitation of any kind on work time unless expressly authorized by the company.
5. Distribution of written or printed material, of any description, in any working areas of RWA, unless expressly authorized by the company.

6. Disorderly conduct on the job, including but not limited to, agitation.
7. Immoral or indecent conduct; profanity.
8. Being under the influence of alcohol or other intoxicating agents while working.
9. Possession, distribution, use, or being under the influence of illegal drugs. This includes the unauthorized use of prescription drugs.
10. Any attempt to coerce, abuse, harass, or insult another employee.
11. Insubordination to supervisors or managers.
12. Falsifying company records, including time cards.

3.07 Communication Policy

The company communication systems are strictly for business use. The following should be adhered to:

1. Make your communications short and to the point.
2. Make sure the system is not in use before you call.
3. Identify yourself at the start.
4. No unnecessary chatter.
5. No bad language.

A large part of company business is done over the telephone and the lines must be kept open. Cell phone use while on the job site should be limited to work related or emergency calls only. Inappropriate use of cell phones while out on job sites will result in disciplinary action, up to and including termination.

3.08 Dress Code

Employees are expected to dress appropriately for the job with regards to safety and weather issues. In the “public eye”, employees of RWA are the company. The impression the public has of you reflects upon the entire organization, therefore it is essential that you dress and act appropriately. Insurance requirements also dictate that we have serviceable minimum protective clothing.

1. Clothing will be clean and in good repair; torn and tattered clothing is not acceptable.
2. A shirt with sleeves must be worn; no muscle shirts or tank tops.
3. No obscene or inappropriate messages or artwork on clothing or jewelry.
4. When safety concerns exist protective clothing such as gloves, hard-hats, safety glasses, goggles, etc., must be used.
5. Safety glasses and goggles, if required, will be issued the first time at company expense. Items lost or damaged by negligence will be replaced at the employee’s expense.
6. When safety concerns exist, hair over collar length must be contained under a hat.
7. Closed toe boots.

3.09 Attendance and Punctuality

The company needs of all the employees it hires, therefore it is necessary that everyone report to work at the appropriate time. Failure to show up on time is costly; it slows down the start of work for everyone, including flaggers and contractors. Tardiness is not acceptable and will be

grounds for discipline, up to, and including termination of employment. Any employee that does not show up for their assigned shift will be written up. If an employee fails to show up for three consecutive work days, it will be considered job abandonment and handled as a voluntary termination.

3.10 Work Hours

Due to the short season in Idaho, road and construction work is on a limited time schedule, which means that RWA needs all its employees to show up for work as scheduled; unusual hours of employment may be asked of you. The workday may not necessarily be over at a predetermined time, and you may occasionally be asked to work on Saturday and/or Sunday. This is a special condition that comes with working in this industry, and RWA tries to compensate its employees accordingly.

Employees will not, however, work any overtime without specifically being directed to do so by their immediate supervisor. It is your responsibility to keep track of your hours. If you are getting close to having forty hours, please tell the person in charge of scheduling. Do not promise contractors more than forty hours a week without prior approval from your supervisor. Do not schedule yourself or other members of a traffic control crew without the prior consent of the traffic control coordinator.

Employees are expected to maintain an acceptable level of regular attendance. This means that employees are at work on time and prepared to perform their job duties every day that they are scheduled to work.

3.11 Availability to Work

To be considered available for work each employee must fulfill the following requirements:

- Employees will need to check in daily with the traffic control coordinator. This may be done in person or by telephone call. Daily check-in time should be between the hours of **3 pm and 4 pm Monday through Friday**. Anytime an employee checks in for work they **MUST** talk to a person; messages left on cell phones or on the answering machine will not be counted as an employee checking in for work. Text messaging will also not be considered as a check in.
- When calling to check in for work please be respectful of others time and privacy. Any calls made after 4:30 pm will not be considered checking-in for the day. Please only call the office staff on their cell phones after hours if there has been an accident or emergency. If you have a question on what is and is not an appropriate reason to call after hours, please talk to one of the office staff during normal business hours.
- Employees are expected to answer their phones during the day; when on-call, an employee is expected to always answer their phone. Many of our jobs are called in to us during the day and need to be filled immediately. Any employee who does not answer their phone, or calls back more than ten minutes after the original call, will be considered unavailable for work that day.
- Employees will be expected to answer their phones at night. We have an on-call rotation that we will use first, but on icy nights there is often more than one accident to which we

will be called. Please be aware of the weather conditions, and if you will be unavailable that night please let one of the office staff know or call the emergency call-out phone at (208) 358-0444; this will make scheduling the emergency call outs much easier.

- If for some reason you are not able to fulfill any part of these requirements, please discuss your situation with a member of the office staff at an appropriate time.
- Snow crews will be on call during inclement weather. Any snow crew member who is on-call will be expected to schedule a replacement on-call person.

3.12 On-Call Rules

Road Work Ahead has an on-call rotation for flaggers.

- ***WHEN ON CALL YOU SHOULD NOT DRINK ALCOHOL FOR ANY REASON.*** If you show up for an emergency call out and there is an accident; even if it is not your fault, and there is alcohol in your system we could be held liable. If you are injured while on the job, and there are any drugs or alcohol in your system, workers comp will not cover your injury. If a law suit is filed it would be detrimental to the company, and could cost everybody who works here their jobs. If you want to go out while you are on call, or you are on any medication that you feel could affect your ability to work safely make arrangement for somebody to cover for you **BEFORE** you go out. Let the on-call coordinator know of any changes that you make before there is a call out. Anybody who is found to be drinking while on call will be subject to disciplinary action, up to and including termination.
- ***BE AVAILABLE TO ANSWER YOUR PHONE.*** You should be available to answer your phone the entire time that you are on call. While on call make sure that you stay in areas which you have good cell phone signal. Make sure that your phone is turned on, and that you can hear your ringer. If you miss a call, return the call within 5 minutes.
- ***BE PREPARED FOR CALL OUTS.*** Make sure that you have the appropriate clothing and gear for call outs. During the summer the weather is warmer, and extra clothing is generally not an issue. During the winter, be sure to dress warmly, and to bring extra clothing. Be sure to dress for the weather, and wear enough warm clothing including warm hat that covers your ears, gloves, scarf, and I would suggest a pair of insulated coveralls. Make sure that you have your vest and stop/slow paddle when you go out for a call. Please remember to bring personal comfort items such as food, water, gloves, hand warmers, and other items for the job. We have no way of knowing how long each call out will last, or where it will be. Please be prepared for any situation which may arise.
- ***CHECK OUT THE ON CALL KEYS.*** The on-call week runs Friday to Friday. It is your responsibility to know when you are on call. If you have questions stop by the office and check the schedule, or call in and somebody can check the schedule for you. Please be sure to check out the on-call keys on Friday between 8am and 5pm. Check out the on-call schedule that has been posted and see who is on call with you. Coordinate between the two of you who will have the on-call keys. I would suggest that whoever lives closer have the keys so that they can start preparing a truck while they are waiting for the other person to arrive.

3.13 Notice for Days Off

Road Work Ahead and Sage Supply understand the need for days off. However, when employees take days off without giving advance notice, it makes it difficult for Road Work Ahead to keep up with the demand of its customers. This policy is in the employee handbook. This notice is simply to remind all employees of the expectations set forth by Road Work Ahead and Sage Supply.

Road Work Ahead and Sage Supply understand that notice cannot always be given in advance; employees wake up too sick to go to work and perform their job duties efficiently and safely. However, some circumstance can be foreseen, and Road Work Ahead and Sage Supply expect employees to request a day off at least one week in advance. If one-week notice cannot be given, Road Work Ahead and Sage Supply expect a request for a day off as soon as the employee knows a day off is needed.

If a request for a day off is not given in a timely manner, Road Work Ahead and Sage Supply cannot guarantee that the request will be granted.

If an employee habitually fails to give advance notice, disciplinary action may be taken, up to and including termination.

This policy does not override the policy for flaggers regarding time off during the busy season:

For flaggers, between March 1st and September 30 of any given year, no more than 5 days in a row can be taken off without a written notice of intent four weeks in advance and with the explicit okay from either the TC Manager of Boise or Twin Falls.

3.14 Dating

Inter-departmental dating of employees is permitted if it does not affect work attendance or performance. Dating is not permitted between subordinates and supervisors in the same department.

3.15 Smoking

Smoking is not permitted in any company building or vehicle at any time. Any violation of this policy may result in termination. When smoking outside, please be considerate and throw your cigarette butts into a trashcan and not on the ground.

3.16 Voluntary Termination Procedures

If for any reason you expect to terminate your employment, you should give your supervisor as much notice as possible. As a company, we will continue to work an employee during their two-week notice period, if the employee's quality of work remains the same. Consideration, in this regard, given to the company will greatly enhance an individual's chance for re-employment here and elsewhere, as well as positive referrals. When you leave the company, the employee should give RWA a current mailing address; this allows RWA to mail a final check as well as future tax information.

Employees who elect to voluntarily leave the company will be asked to sign a form stating the separation is voluntary.

3.17 Involuntary Termination Procedures

Employees will be notified of the reason for their dismissal by their supervisor or management.

If you are terminated for cause, a special check will be prepared covering all money owed to you as of the date of termination within the timeframe required by law.

If an employee does not report to work for three (3) consecutive scheduled work days and does not contact his/her immediate supervisor, RWA will consider the employee to have voluntarily quit. Leaving a message or sending a text does not constitute contact.

3.18 Layoffs

Weather conditions and volume of business sometimes determine staffing levels. While ample notice will be given when circumstances permit, conditions requiring termination of employment may arise unexpectedly. RWA reserves the right to determine the beginning or termination date of employment. Employees will be called back to work based on merit not seniority. The company further reserves the right to demote, reassign to other employment, or dismiss employees if they are found not to possess the requisite qualifications for their assigned position, or have lied on their job application.

3.19 Alcohol and Drug Policy

The purpose of this policy is to comply with and support the Omnibus Employee Testing Act of 1991, the Department of Transportation (DOT) 49 CFR Part 40 and 382 mandates and the Idaho Private Employer Alcohol and Drug Free Workplace Act, Idaho code section 72-170 through 72-1717. By complying with these regulations, we will be establishing a Drug Free Workplace for the safety and health of our employees, customers, and the public.

This policy applies to all employees, perspective employees, and subcontractors; all individuals are subject to the conditions and terms set forth in this policy.

In recognition of the harmful effects that the illicit use of drugs and the misuse of alcohol can have on employees in the workplace, RWA has the responsibility to provide a safe and healthy work environment.

All flaggers are subject to a pre-employment drug test, as well as being subject to a random drug pool. Flaggers are tested on a monthly basis.

3.20 Possession, Use or Distribution of Illegal Drugs or Alcohol

The possession, use, purchase, distribution, or attempt at distribution of illegal drugs or paraphernalia, by an employee, on company property, on company time, at a job site, by an employee in a company vehicle, or in any other circumstance which might adversely affect RWA's operation or safety is strictly prohibited. Any illegal substances found in the possession of an employee will be turned over to the proper authorities and may result in criminal prosecution. Any employee convicted of a criminal drug statute will be subject to disciplinary action as set forth by RWA.

Employees will not be allowed to work with any detectable alcohol level. Any employee that comes into work with alcohol in their system will be sent home and subject to disciplinary action. If an employee comes to work with a hangover that, in their supervisor's opinion, would impair the safety or quality of the employee's work, they will be sent home and be subject to disciplinary actions.

Employees will not be permitted to work with a detectable level of prohibited drugs in their system. The basis for determining "under the influence" and/or "detectable level" is, for the purposes of this policy, a positive test result for drugs. Prohibited drugs include both illegal and legal substances, including prescription drugs that have not been specifically prescribed, and used as prescribed, by a licensed physician for specific treatment purposes of the employee at that time. This restriction shall not apply to over-the-counter medication, provided such medications do not prevent the employee from performing his or her duties safely and efficiently.

Employees who take over-the-counter or prescribed medication are responsible for knowing any effect the medication may have on the performance of their duties. Employees must promptly report to their supervisor if the use of the medication(s) is likely to impair their ability to do their job safely.

All flaggers are required to take, and are expected to pass, a pre-employment drug test. Every new employee will have a 90-day probationary period beginning on the date on which they are hired. No employee will be eligible for a raise until a drug test is taken and the result is negative. During this time the employee shall be subject to random drug testing at RWA's discretion. After a new employee's probationary period is over they will be put into a random drug testing pool which will be administered by RWA.

There will be no probationary period for CDL drivers. CDL drivers will be required to have a DOT drug screen prior to employment. With reasonable cause (speech patterns, physical traits, or behavior) a supervisor may ask an employee to take a drug test. RWA will pay for this test if the results are negative.

Any accident resulting in personal injury, injury to another person, or property damage of \$500.00 or more may require a post-accident drug test. This drug test is to be completed as soon as possible after any accident. At supervisor discretion an employee may be drug tested after any accident, even if the accident does not fit into any of the above-mentioned categories.

Any refusal to submit to a drug test will be considered the same as a positive test for illegal drugs or alcohol. Adulteration or substitution of samples, or behavior that interferes with the testing process will be considered a refusal to test.

Any employee testing positive for drug use will be subject to the following disciplinary actions:

1. The employee will be put on probation for one year.
2. During the first six months of their probation, the employee will be randomly drug tested once a month; the employee will pay for these drug tests.
3. At any time during the second six-month period the employee may be asked to take a drug test.

4. If at any time during the year probationary period the employee tests positive for drug use, that employee will be terminated.
5. Refusal to test will be grounds for termination.
6. Employees who test positive will not be allowed to drive a company vehicle for the first six months of their probation.

Any employee who feels that they have a drug or alcohol problem may come to management at any time for help. There are programs in place to help employees that are seeking help. Any employee wishing to take advantage of these programs must:

1. Report the problem BEFORE any testing is requested. Any employee that reports a problem at the time of testing or after a test is performed will be subject to the probationary period as outlined above.
2. Once an employee requests help, all possible help will be given, within reason. If the employee fails to meet the participation requirements of the programs offered; that employee will again become subject to the disciplinary actions outlined above.

3.21 Customer Service and Departmental Cooperation

Our customers are the public, and every employee represents RWA to the public. We are judged by how we treat and serve the public. One of the highest priorities at RWA is to help any customer or potential customer. Every employee should be courteous, friendly, prompt, and helpful to the public we serve.

Your contacts with the public, your telephone manners, and any communications you send should reflect the professionalism of RWA. Good customer relations are expected from every employee of RWA. Poor customer relations, such as rudeness or swearing, may lead to disciplinary action up to and including termination.

In addition to good customer relations, cooperation among RWA departments is essential to efficient operations of RWA. Interfering with departmental responsibilities, rudeness, gossiping, or other acts of negative or uncooperative behavior will not be tolerated and may lead to disciplinary action up to and including termination.

Complaints from the public regarding customer service should be directed to your supervisor or Human Resources. If a RWA employee experiences poor customer service from another RWA employee or department, they should report it to their supervisor or Human Resources.

3.22 Workplace Etiquette

RWA expects that all employees show respect and courtesy to each other. Often, there are problems when employees do not realize that they are bothering or annoying other people. To maintain a professional atmosphere, employees should keep their work areas clean, be conscious of how their voice travels, refrain from interrupting co-workers unnecessarily, be aware that others may have different sensitivities to temperatures and fragrances, etc.

Employees should first try to solve any problems politely by talking with each other. If an employee is uncomfortable talking with their co-worker, the situation may be addressed with a supervisor or Human Resources.

In most cases, with the use of common sense, the problem can be fixed. RWA encourages employees to keep an open mind, work together to find a solution and try to understand the other person's point of view. Employees may be disciplined for poor workplace etiquette if the problem interferes with work performance or is disruptive to the department.

4.0 Discriminatory Workplace Harassment Policy and Complaint Procedure

4.01 Purpose

The purpose of this Harassment Policy is to clearly establish RWA's commitment to provide a work environment free from unlawful harassment, to define discriminatory harassment, and to set forth the procedures for investigating and resolving internal complaints of harassment. Due to the importance of a workplace free from unlawful harassment, this policy should be reviewed with each employee on a regular basis.

It is important that all employees treat all other employees and members of the public with decency and respect. It is the responsibility of every employee, supervisor, and member of management to prevent inappropriate behavior in the workplace. Inappropriate behavior which impacts the workplace, or has the potential to impact the workplace, will not be tolerated.

This policy applies to all terms and conditions of employment, including but not limited to, hiring, placement, job retention, promotion, disciplinary action, layoff, reinstatement, transfer, leave of absence, compensation, and training.

4.02 Policy

Harassment of an applicant for employment, a member of the public, or an employee of RWA based on race, color, religion, national origin, sex, age (40 and over), or disability is in violation of state and/or federal law and will not be tolerated by RWA.

Employees found to be participating in any form of employment-related unlawful harassment or retaliation against another employee for filing a complaint or cooperating with an investigation shall be subject to disciplinary action up to and including termination of employment.

4.03 Definitions

- Verbal Harassment - Epithets, derogatory comments, slurs, propositioning, or otherwise offensive words or comments based on race, color, religion, national origin, sex, age (40 and over) or disability whether made in general, directed to an individual, or directed to a group of people regardless of whether the behavior was intended to harass. This includes, but is not limited to, inappropriate sexually-oriented comments including dress or physical features, sexual rumors, code words, and race-oriented stories, as well as jokes

of a sexual or discriminatory nature or “kidding” which is oriented towards a prohibited form of harassment.

- Physical Harassment - Assault, impeding or blocking movement, leering, or the physical interference with normal work, privacy or movement when directed at an individual based on race, color, religion, national origin, sex, age (40 and over) or disability. This includes pinching, patting, grabbing, inappropriate behavior in or near bathrooms, sleeping facilities and eating areas, or making explicit or implied threats or promises in return for submission to physical acts.
- Visual Forms of Harassment - Derogatory, prejudicial, stereotypical or otherwise offensive posters, photographs, cartoons, e-mails, notes, bulletins, drawings or pictures based on race, color, religion, national origin, sex, age (40 and over) or disability. This applies to both posted material and material maintained in or on RWA equipment or personal property in the workplace.
- Sexual Harassment - Any act which is sexual in nature and is made explicitly or implicitly a term or condition of employment, is used as the basis of an employment decision, unreasonably interferes with an individual’s work performance or creates an intimidating, hostile or offensive work environment. There are basically two types of sexual harassment:
 - "Quid pro quo" harassment, where submission to unlawful harassment is used as the basis for employment decisions. Benefits such as raises, promotions, better working hours, job retention, etc., are directly linked to compliance with sexual advances. Therefore, only someone in a supervisory capacity (with the authority to grant such benefits) can engage in quid pro quo harassment. Example: A supervisor promising an employee a raise if she goes on a date with him; a manager telling an employee she will fire him if he does not have sex with her.
 - "Hostile work environment," where the unlawful harassment creates an offensive and unpleasant working environment. A hostile work environment can be created by anyone in the work environment, whether it be supervisors, other employees, or the public. Hostile environment harassment consists of verbiage of a sexual nature, unwelcome sexual materials, or even unwelcome physical contact as a regular part of the work environment. Cartoons or posters of a sexual nature, vulgar or lewd comments or jokes, or unwanted touching or fondling all fall into this category.

4.04 Complaint Procedure

Any employee who believes he or she has been the subject of sexual harassment should report the alleged act immediately. If an employee wishes to bypass first-line management and bring their complaint directly to the general manager, that is acceptable.

Retaliation in any manner against a person who has filed a harassment charge, who has initiated a harassment complaint, or is providing information or assisting in an investigation is expressly prohibited and is subject to disciplinary action up to and including termination.

Confidentiality will be maintained to the fullest extent possible in accordance with applicable federal, state, and local laws. However, a complete and thorough investigation of the allegations

may require the investigator to inform witnesses of certain aspects of the complaint in order to obtain an accurate account of the actions of the parties involved.

Sexual harassment complaints will be investigated in a prompt, confidential, full and fair method. When they are found to be valid, appropriate corrective action will be taken, up to and including dismissal of an offending employee. Disciplinary action taken against an employee will not be discussed with other employees, including the employee that presented the claim. This is a violation of employee privacy.

4.05 False Complaints

Any complaint made by an employee regarding employment-based harassment which is conclusively proven to be false, should result in discipline. This discipline may include termination of employment. This section is not intended to discourage employees from making complaints regarding employment-based harassment. However, false complaints adversely impact the workplace and the career of the accused, even when disproved, and will not be tolerated.

5.0 Compensation

5.01 Compensation Administration

Job increases are not based on seniority with RWA, but on merit.

5.02 Pay Periods/Paydays

RWA pays you by company check, which will be distributed personally at the office on your regular payday. All checks will be handed out at the office, and will not be available for pick up until noon of your payday.

1. Hourly employees are paid every Friday. Pay periods run Sunday through Saturday. Payday is the Friday following the end of the pay period.
2. Salaried employees are paid on the 1st and 15th of the month.

5.03 Time Keeping

RWA's entire accounting system is associated with time cards. Some of the information that must be obtained from time cards includes:

1. Payroll information
2. Verification of jobs worked
3. Substantiation of actual hours worked
4. Material delivery information
5. Repair, maintenance, and operating costs for the company
6. Employee injuries

You must fill out time cards promptly, completely, and accurately at the end of each day. If you have any question on how to fill out your time cards, contact your supervisor. Incorrect or

incomplete time cards will be returned to you for correction. Any time card that needs to be corrected will not be paid until the corrections are made. Time cards not turned in by 9 am on Monday will not be included in the payroll until the following week.

Each person will have, and be responsible for, their own time sheets. A folder with your name on it will be given to you. In the folder will be time sheets that you must fill out daily. Each flagger is responsible to fill out their time card completely and accurately at the end of each day; this should be done through T-Sheets.

Every job will also have a “lead flagger”. The lead flagger will be responsible for the traffic control log worksheet. The log sheet needs to be filled out by the lead flagger, and signed by the contractor for every job.

For office personnel—a personal pin number will be provided, which you will use to clock in and out with. Please be sure to clock in when you arrive for work and return from lunch, and to clock out before you leave for lunch and at the end of the work day.

5.04 T-Sheets

T-Sheets is a phone application that RWA uses to track location, time, and movement of its employees. The use of T-Sheets is mandatory for all employees to use. Please read and adhere to the following information:

- T-Sheets will not be used on federal jobs; the project lead will be required to record time worked on federal jobs. Paper time sheets for non-leads on federal jobs is still required per contractual obligations.
- Everyone is required to use T-Sheets. Exceptions include those individuals on parole who are restricted from having a cellular phone with internet, or individuals who do not have internet compatible cell phones.
- The cell phone location feature must be turned on while working for RWA. The location feature may be turned off when you are clocked out.
- RWA is not responsible or liable for any cell phone, data, or message charges incurred.
- Cell phones can only be used on the job site to access T-Sheets for clocking in and out of jobs.
- If maintenance is needed to be done on your time, you are required to add a note to T-Sheets explaining the situation and giving us correct time.
- If an issue occurs on the job site, you must use the notes section in T-Sheets to explain the situation.

When requirements for T-Sheets are not met the following disciplinary action will ensue:

- First violation—employee will receive a verbal warning
- Second violation—employee will receive a written warning
- Third violation—employee will be written up to termination

Please remember that timely completion and submittal of payroll information allows for timely payment to employees.

5.05 Lead Supervisor

All lead supervisors on state and federal jobs, in which state paperwork must be completed, must have the blue and yellow sheet completed and turned in by the Monday following the end of the work week at 10 am of the following week. This form can be scanned and emailed, or placed into Dropbox. All other state paperwork must be completed and turned in by the Wednesday following the end of the work week at 10 am; this allows RWA to complete payroll and billing in a timely manner.

5.06 Payroll Deductions

State and federal law require that the company make certain deductions from your paycheck. The deductions may include the following:

1. Federal Insurance Compensation Act (FICA)—Social Security Act—requires that a certain percentage of your earnings are deducted, and that the company contribute an equal amount.
2. Federal Income Tax laws require that income tax deductions be withheld at the source of the wages.
3. Idaho State Income Tax laws require that income tax deductions be withheld at the source of the wages.
4. In addition to deductions from your paycheck required by law, you may pre-authorize deductions for other purposes, if approved by an officer of the company.

Upon employment all new flaggers will need to purchase a safety vest, a stop/slow paddle, a radio and a hard hat. The cost of these items may be deducted from your first paycheck.

5.07 Overtime Policy

All hours worked over 40 hours per week are paid at the rate of one and one-half times your regular hourly rate (or its equivalent) for eligible employees.

5.08 Travel and Other Business Expenses

RWA pays employees for their time on site and a per diem when employees work out of town.

5.09 On-Call/Emergency Call Pay

RWA has set the minimum requirements for on-call/emergency call pay as follows:

- Jobs scheduled between the hours of 6pm and 6am, weekends (unscheduled), and holidays are paid at one and one-half times your regular hourly rate.

5.10 Bonuses

Fuel bonuses will be awarded to truck drivers upon the successful completion of a full sealcoat season (starting on or before May 1 and ending Nov 1). The bonus is predicated upon no

accidents and achieving an average fuel efficiency of 6.5 mpg or greater. The bonus is an all or nothing \$0.03 per mile driven for the season.

5.11 Pay Confidentiality

Your wage is confidential information, and should not be discussed with other employees for any reason.

5.12 Wage/Salary Reviews

RWA tries to pay a fair and equitable wage. All pay raises are based on merit, and by negotiation between each employee and the management on an individual basis. For clarification purposes, there are two distinct classifications of employees:

- Full-time employees: An employee that works a forty-hour workweek on a regular basis.
- Variable employees: An employee that performs on-call or as-needed duties, i.e. flagging or traffic control. These employees are not eligible for benefits from RWA.

6.0 Benefits

6.01 Benefits Administration

Benefits are overseen by Human Resources and Payroll.

6.02 Employee Categories

Based on the conditions of employment, employees of RWA fall into two categories:

- Full-Time Employees—Exempt and non-exempt
- Variable Hour Employees

6.03 Full-Time Employees

An employee is classified as full-time if they work a standard work week—7 hours per day, 5 days per week.

Exempt employees are exempt from overtime provisions of federal and state wage and hour laws.

Non-exempt employees receive overtime pay in accordance with federal and state wage and hour laws.

Full-time employees are eligible for insurance after a 60-day probationary period.

6.04 Variable Employees

An employee is classified as variable if they are hired for a specified project or time frame and work an irregular schedule; hours will vary depending on the time of year. A variable employee

is considered non-exempt and will be paid overtime in accordance with federal and state wage and hour laws.

To be eligible for insurance, a variable employee must be employed by RWA for one calendar year and have accumulated at least 1560 hours during said calendar year, or have averaged 30 hours of work per week March-September.

6.05 Insurance

Insurance will be offered to eligible employees. RWA will review its insurance each year to verify that it complies with the laws set forth by the federal and state governments. Insurance plans, rates, and/or companies may change from year to year depending on coverage options and federal and state laws.

RWA offers medical, dental, and vision insurance, and (in some cases) coverage options through Aflac. RWA pays half of the employee only cost for basic health insurance only. Vision and dental insurance premiums are the responsibility of the employee. Premiums for medical, dental, and vision will be automatically withdrawn from your paycheck via pre-tax deductions.

Employees must sign up for or cancel insurance during open enrollment, unless there is a “qualifying event” to initiate changes in coverage outside of the open enrollment period. Qualifying events include:

- Death
- Birth
- Marriage
- Divorce or legal separation
- Reduction in hours of employment
- Employment ends
- Entitlement to Medicare benefits
- A child stops being eligible for coverage under the plan as a “dependent child”.

Upon termination, employees can elect to take part in COBRA coverage. The Consolidated Omnibus Budget Reconciliation Act (COBRA) allows employees, their spouses, and children to continue health coverage under RWA’s health plan if their coverage ends due to a qualifying event, such as termination of employment. Eligibility for coverage and the period of continued coverage depend upon the qualifying event and current laws governing COBRA. The entire cost of COBRA is the employee’s responsibility.

For more information about insurance, including coverage options and rates, see Human Resources.

6.06 Individual Retirement Arrangement

RWA offers a SIMPLE-IRA through Edward Jones. One of the features of a SIMPLE plan is that the IRA is funded by both employee and company contributions. RWA has elected to

contribute to your SIMPLE-IRA a matching contribution equal to your salary reduction contributions up to a limit of 3% of your compensation year.

Employee IRA contributions are automatically withdrawn from your paycheck via pre-tax deductions. All deductions and matching contributions will be deposited in your IRA, where it will be held until your retirement.

Employees become IRA eligible after 90 days of employment.

6.07 FMLA

This policy provides employees with a general description of the Family Medical Leave Act (FMLA) and their rights and responsibilities under the law. RWA shall refer to the federal law regarding any specific details that are not contained in this policy.

FMLA is administered by Human Resources. To request leave, employees must contact Human Resources in addition to notifying their supervisor of the need for time off. Additionally, RWA reserves the right to:

- Determine whether the employee is or is not an “eligible employee” under the Act.
- Place an employee on FMLA leave without the employee’s consent should RWA determine that the employee meets the eligibility requirements under the Act.
- Require periodic notices (determined by RWA) of the employee’s, or their family member’s, FMLA status and the employee’s intent to return to work.

The Family and Medical Leave Act provides for up to twelve (12) weeks of unpaid, job-protected leave during any 12-month period to eligible employees for certain family and medical reasons. Employees are eligible if they have worked for RWA for at least one year, and 1,250 hours over the 12 months immediately preceding the leave. The 12-month period for determining eligibility for leave is determined using a “rolling” 12-month period measured backward to the date an employee first uses any FMLA leave.

FMLA specifically states that a serious health condition may result from injury to an employee on or off the job, therefore, an employee who is off work on Worker’s Compensation leave will automatically have that time designated as FMLA leave and will count towards the 12-week FMLA entitlement.

Employees are entitled to leave:

- To care for a child following a birth or placement of a child with the employee for adoption or foster care;
- To care for the employee's spouse, child, or parent, who has a "serious health condition," and
- If the employee is unable to perform his or her own job because of the employee's own serious health condition.

Total FMLA leave for an employee and spouse who both work for RWA is limited to 12 weeks combined if the leave is for reasons other than the employee's own personal serious illness.

Employees are required to give 30 days' notice when the leave is foreseeable or as much notice as practical. RWA reserves the right to request medical certification supporting the leave, and may require second or third opinions (at RWA's expense) and a doctor's fitness for duty report prior to returning to work. Leave may be denied if these requirements are not met. The decision to allow an employee to return to work will be solely RWA's in compliance with the provisions of FMLA. If a doctor does not find the employee fit to return to duty, the employee will not be allowed to return to work.

FMLA leave may be taken intermittently or on a reduced leave schedule to allow the employee to care for a sick family member, or for an employee's own serious health condition with prior written approval from the employee's supervisor or when "medically necessary." In the circumstance of birth or placement of a child for adoption or foster care, intermittent leave is only available by written approval of the general manager.

If the need for intermittent or reduced leave relates to planned medical treatment, employees are required to make reasonable efforts to schedule intermittent leave so as not to unduly disrupt RWA business.

RWA employees are required to use any accrued paid sick leave and vacation hours – in that order – concurrently with FMLA. Short-term disability may run concurrently with FMLA after sick leave is exhausted. If paid leave accruals are less than the amount of time needed for leave, the remainder of the time off shall be unpaid leave. Employees will continue to accrue vacation and sick leave while utilizing their paid leave. However, they will cease to accrue vacation and sick leave during the unpaid portion of their leave.

RWA will continue the employee's benefits (employer portion only) during the leave period. The employee will be responsible to pay the portions of their dependent coverage or other benefits by the 5th of each month. If the employee does not return to work for reasons other than their own continued serious health condition or that of an eligible family member, RWA may recover from the employee the premium that was paid for the employee's medical coverage. An employee must return to work for at least thirty (30) calendar days to be considered "returned to work."

RWA will return the employee to the same or an equivalent position after returning from FMLA leave, subject to the terms of the Family and Medical Leave Act. The only exception may be for individuals who, under the provisions of FMLA are a "key employee" as defined by 29 CFR §825.217, whose extended absence would cause "substantial and grievous economic injury."

To protect employee's privacy rights, medical certifications will be treated as a confidential medical record and information will be disclosed only on a strictly need to know basis.

6.08 The National Defense Authorization Act

On January 28, 2008, and again on October 28, 2009, FMLA was amended by the National Defense Authorization Act. This amendment provides an entitlement of up to 26 weeks of unpaid leave during a single 12-month period to an eligible employee who must care for a

covered service member who is a spouse, son, daughter, parent or next of kin of the employee and has a serious injury or illness incurred in the line of duty which renders that person unfit to perform his or her duties in the Armed Forces.

A “covered service member” includes a veteran who is undergoing medical treatment, recuperation or therapy for a serious injury or illness and who was a member of the Armed Forces, including the National Guard and Reserves, at any time during the five-year period preceding the date on which the veteran undergoes medical treatment, recuperation or therapy.

RWA may require the request for this type of leave be supported by certification that the service member being cared for by the employee has a serious health condition.

The National Defense Authorization Act also provides 12 weeks of FMLA leave to an employee if his or her spouse, son, daughter or parent has been called to active duty with the Armed Forces. Covered “active duty” relates to when a member of the regular or reserve components of the Armed Forces is deployed to any foreign country. No serious medical condition is required for this type of leave. RWA may require the request for this type of leave be supported by certification that the service member has actually been called to active duty. RWA employees shall provide prior notice when the need for this type of leave is foreseeable.

6.09 Social Security

Employers and employees both pay taxes that are required by the Federal Insurance Contributions Act (FICA) to fund two federal government benefit programs: Social Security and Medicare. Social Security is comprised of Old Age and Survivor’s Insurance (OASI) and Disability Insurance (DI), and Medicare benefits are provided by the Health Insurance (HI) program.

The employee share of Social Security and Medicare taxes is withheld from wages and is matched by RWA, which then pays both shares to the federal government.

The amount withheld for Social Security and Medicare taxes is calculated by applying a fixed rate, which is determined annually by the federal government, to your taxable wages. For Social Security, the tax is applied only on wages up to a taxable wage base limit, which is adjusted annually. There is no Medicare wage limit.

6.10 Workers’ Compensation

RWA provides Workers' Compensation insurance for its employees. Workers' Compensation laws are designed to help protect employees and their families from the financial consequences of injuries, illnesses, or death arising out of and during their employment. The costs of medical treatment and disability payments for occupational injuries and illnesses are covered by the Institute’s Workers' Compensation insurance policy.

In the event of an industrial injury or occupational illness of any kind, the following steps should be taken:

1. The employee must immediately notify their supervisor. If in need of medical treatment, and except in emergencies, the employee will obtain signed authorization from their supervisor.
2. If complications arise in connection with your disability while you are away from home, report to your supervisor by telephone.
3. All Workers' Compensation claims will require a doctor's release before returning to work.

Please Note: Medical fees and compensation will be subject to regulation by the Industrial Accident Board.

A drug test is required for all employees who seek medical attention for a work-related injury.

RWA pays all costs for Workers' Compensation Insurance. Workers' Compensation insurance covers costs associated with medical treatment for the employee, and if applicable, a portion of the employee's wages for time lost from work according to the laws of the State of Idaho.

Under Workers' Compensation, payment of wages does not start until five (5) calendar days after a disability begins unless in-patient hospitalization occurs immediately after injury. Those earnings cover a portion of the employee's full base pay. The Workers' Compensation check is sent directly to the employee's mailing address on a weekly basis.

All employer paid benefits – medical, retirement, life insurance, etc. shall continue while the employee is on leave. Employees are responsible for making any premium payments to RWA for dependent coverage and/or supplemental benefits.

The employee must, on a regular basis, provide RWA with a written medical update and prognosis from the attending physician. RWA, at its option, may require verification from a physician of its choice.

Employees on Workers' Compensation leave who intend to be away from their residence for an extended time-period, such as vacation, must notify Human Resources regarding where and how they may be contacted during their absence, and when they expect to return home.

Additionally, the employee must provide an appropriate written release from the attending physician before the employee can return to work. RWA may require a second release from a physician selected by RWA. Employees must return to work as soon as a doctor's release is given. When returning to work, the employee must also adhere to departmental policy on return to work issues, if applicable.

When an injured employee receives a limited-duty or restricted-duty statement from his physician, the employee is expected to return to work, if light duty is available, to perform duties as assigned. Temporary reassignment may be in another department and may include a change in the employee's regular duties. Refusal to accept bona-fide limited-duty work may be cause for the Institute's Workers' Compensation fund to discontinue Workers' Compensation benefits and will be subject to disciplinary action from RWA.

Failure to report injuries, filing false claims of injury, falsifying timesheets, misrepresenting facts, or failing to notify RWA of overpayment of benefits will result in disciplinary action up to and including termination of employment and could result in both criminal prosecution and civil penalties.

6.11 Unemployment Insurance

Road Work Ahead and Sage Supply understand the need for employees to sometimes collect unemployment benefits, and neither company will stand in the way of an eligible employee collecting benefits as long as all applicable rules are being followed. This policy outlines some of the rules and regulations set forth by the Idaho Department of Labor, as well as some of the consequences for violating said rules and regulations.

Unemployment is sometimes used to help employees maintain a minimum income when their hours at work have been cut due to lack of work. Unemployment benefits are filed through the Department of Labor, and if an employee meets all the requirements, they are granted. If an employee is granted unemployment benefits due to a lack of work, the employee is expected to meet certain stipulations set forth by the Department of Labor. If these stipulations are not met, it is considered fraud.

Some examples of fraud include, but are not limited to:

- Continuing to file for unemployment benefits when you become fully employed
- Failing to correctly report weekly earnings when filing your weekly certification application online
- Failing to notify the Idaho Department of Labor when you refuse work
- Failing to report, or knowingly reporting, false information, or omitting material facts

According to the Department of Labor's website, the definition of refusing work includes accepting both full-time and part-time work, and "putting limits on the shifts, days or distance you will travel for work"

(<https://www.labor.idaho.gov/dnn/idl/UnemploymentInsurance/UnemploymentBenefits/Fraud.aspx>). Not calling in every day as required by policy, also constitutes refusal to work. In addition, if you leave the area or take a vacation, you are considered unavailable for work. If you are considered unavailable for work, you are required to report this to unemployment. If you fail to inform the Department of Labor that you are considered unavailable for work, it is considered fraud.

Consequences of unemployment fraud:

- Possible felony conviction
- The employee is expected to repay the entire amount in addition to penalties
- The employee will be required to wait a minimum of 52 weeks and repay the fraudulently obtained benefits in full before obtaining future benefits

If Road Work Ahead or Sage Supply suspect an employee of unemployment fraud, the Department of Labor will be informed. In addition, this may lead to immediate termination. If there are further questions, please direct them to the Human Resources department, or view the Department of Labor's website at <https://www.labor.idaho.gov/dnn/idl/UnemploymentInsurance/UnemploymentBenefits.aspx>.

6.12 Vacation, Holidays, and Sick Time

Regular, Full-Time Employees

After six months of employment, regular, full-time employees accrue vacation and sick time, as well as six paid holidays per year. Full-time employees will be given 72 hours of paid time off per year. In addition, the six paid holidays are New Year's Day, Memorial Day, the 4th of July, Labor Day, Thanksgiving, and Christmas. There will be a max of 200 hours that can be held in the account at any given time. These hours can be donated or cashed in at the request of the employee if there is no vacation or sick leave justification. These hours cannot be used for overtime purposes since they are hours that are not worked. If an employee is fired, all vacation and sick time is forfeited and will not be paid out.

For Sage, an employee must be on call for Memorial Day, the 4th of July, and Labor Day. The on-call schedule will be written by the supervisor, with input from the employees. If there are at least three people in the on-call rotation, no employee will be expected to be on-call for more than one of these holidays; employees may be on call for more than one of these holidays if they so choose. The rate of pay for hours worked on these holidays will be at time and one half, in addition to 8 hours of holiday pay.

Flaggers

Road Work Ahead does not pay for vacation, holidays, or time off, except for Level IV Flaggers (you must be employed by Road Work Ahead as a Level IV Flagger, not just have the certification). If for some reason you need a scheduled day off, please contact your supervisor. Any time that is requested off will be noted and will not count towards your waiting period for unemployment benefits. If you have a day off, please refrain from visiting other flaggers who may be working. Visiting other flaggers while they are at work is a distraction and increases the odds of an accident or injury.

Once you have a Traffic Control Supervisor card and have proven the Level IV status and have one year of service, you will be given 60 hours of paid time off. There will be a max of 120 hours that can be held in the account at any given time. These hours can be donated or cashed in at the request of the employee if there is no vacation or sick leave justification. These hours cannot be used for overtime purposes since they are hours that are not worked.

Davis-Bacon Sick Time

The federal government requires that contractors and sub-contractors provide sick time to employees who work on, or in connection with, any federal contract that is subject to Davis-Bacon wages. Full-time employees and Traffic Control Supervisors have paid time off that exceeds the minimum requirement set forth by the federal government. For part time employees, and those who do not receive paid time off, Executive Order 13706 puts forth the following minimums that Road Work Ahead abides by:

- For every 30 hours worked on, or in connection with, a Davis-Bacon contract, an employee receives one hour of sick time

- The maximum number of sick hours an employee may accrue in one calendar year is 56 hours
- Paid sick hours roll over from year to year, but an employee can only bank up to 56 hours
- Paid sick time cannot be cashed out, if an employee does not use the sick time before the maximum hours are banked, the sick time is forfeited
- Accrued sick time is forfeited upon voluntary or involuntary termination
- Sick time is accrued on a monthly basis
- Partial payment of hours is not required; only when an employee works the full 30 hours will one hour of sick time be accrued
- Paid sick leave will be reinstated for employees who are rehired within 12 months after job separation

The guidelines set forth by the federal government for the use of paid sick leave:

- Sick time may be used for the following:
 - A physical or mental illness, injury, or medical condition
 - Obtaining diagnosis, care, or preventive care from a health care provider
 - Caring for a child, parent, spouse, domestic partner, or any other individual related by blood or affinity whose close association with the employee is the equivalent of a family relationship who has any of the conditions or needs for diagnosis, care, or preventive care described above, or is otherwise in need of care
 - Domestic violence, sexual assault, or stalking, if the time absent from work is for the purposes described above or to obtain additional counseling, seek relocation, seek assistance from a victim services organization, take related legal action, including preparation for or participation in any related civil or criminal legal proceeding, or assist an individual related to the employee as described above in any of these activities
- An employee is not limited to the amount of accrued sick time used at one time, as long as all rules regarding the use of sick time have been followed
- Employees are required to use a minimum of one hour of sick leave at a time
- If the need to use paid sick leave is foreseeable, a 7-calendar day notice is required. If notice is not given, and the event is foreseeable, sick leave may be denied
- All paid sick leave of 3 or more consecutive days will require a doctor's note, or other appropriate documentation, or paid sick leave will not be given
- The employer has the option to allow employees to only use sick time accrued through Executive Order 13706 on Davis-Bacon jobs

6.13 Leave Administration

For flaggers, between March 1st and September 30 of any given year, no more than 5 days in a row can be taken off without a written notice of intent four weeks in advance and with the explicit okay from either the TC Manager of Boise or Twin Falls.

For all other employees, Road Work Ahead requires that you give a one-week notice if you need to be away from work for personal reasons.

6.14 Jury/Witness Duty

Leave without pay is authorized for all employees called to jury duty or subpoenaed as witnesses. For information, contact your supervisor or Human Resources as soon as you receive the jury questionnaire or jury summons.

6.15 Military Leave/USERRA

The Uniformed Services Employment and Reemployment Rights Act (USERRA) applies to persons who perform duty, voluntarily or involuntarily, in the uniformed services to include active duty, training, funeral honors, etc. USERRA prohibits discrimination against a person based on past military service, current military obligations, or intent to serve.

RWA's employment policy will comply with the provisions of Idaho Code § 46-224, et seq., or its successor, as those Code provisions govern leaves of absence for military service and the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.

Unpaid leave of absence will be granted to participate in ordered and authorized field training. Upon returning to RWA, he/she shall be restored to his/her position without loss of seniority, status, or pay.

The law specifies reporting requirements, time limits and benefits continuation. Employees and/or supervisors who have questions regarding military leave rights and requirements should contact Human Resources or visit the "Employer Support of the Guard and Reserve" (ESGR) website at www.esgr.mil.

6.16 Wellness Program

Wellness is creating opportunities to feel healthy through becoming aware of positive lifestyle choices and acting to prevent illness and disease. RWA's philosophy is to promote the physical and emotional health of employees.

The Wellness Program can assist participants in maximizing their health regardless of what condition or stage they are at in life; it is open to all employees.

The purpose of the Wellness Program is to encourage and support employees to gain more information about healthier habits, so they can engage in healthier lifestyle behaviors that could improve overall lifelong health.

Although past choices and genetics are key determinants of individual health, an effective Wellness Program can assist participants in maximizing their health regardless of their present conditions or stage in life. This means you can start anytime.

If you have further questions, please see Human Resources.

6.17 Draws

RWA does not allow draws from employee pay checks. If you have questions regarding this policy, please contact Robert Thatcher.

6.18 Education Expenses

RWA does not reimburse employees for education courses unless otherwise approved by the owners. If you have any questions regarding this policy, please contact your supervisor.

7.0 Security

7.01 Security Administration

The general manager oversees modifying, evaluating, and managing the security of the company. The purpose of the security procedures is to create a safe and secure workplace environment for all employees and company assets. Employees are informed verbally and/or on paper regarding any protocol on security. The major sections include how to handle security methods for equipment and company vehicles as well as other company property.

7.02 Weapons

Visitors, clients, and employees may possess weapons on company facilities/property. Such weapons must be properly permitted and authorized according to state and federal laws. No weapons will be allowed on jobsites for any reason. Violation of this policy may result in termination and legal action.

7.03 Bombs and other Threats

Bomb threats, threats of violence, suspicious packages, fire, or exposure to hazardous materials, etc. must be reported to the appropriate emergency response agency (fire department, law enforcement) and the supervisor immediately.

Any threats will be taken seriously, and legal action can and will be taken.

7.04 Monitoring Policy

The employee's work output, where applicable, whether it is paperwork, computer files, products, customer calls, customer interaction, or any other service created by the employee belongs to RWA. Therefore, such work output is always subject to review by RWA Management, whether it is stored and done electronically, on paper, or in any other form. In addition, computers, desks, facilities, trucks, and any other company equipment belong to RWA and are subject to search or investigation as needed.

7.05 Confidentiality

Any information that an employee learns about RWA, or its members, because of working for the company that is not otherwise publicly available represents confidential information. Employees may not reveal confidential information to anyone who is not employed by RWA or to other individuals who do not need to know such information to assist in rendering services.

Such information includes but is not limited to: compensation data, program and financial information, pending projects, and proposals.

Each employee shall maintain the confidential nature of records which are not open to public scrutiny in accordance with the direction of the general manager. Every employee shall exercise his/her best judgment regarding the dissemination of information of which he/she may have knowledge because of his/her position as an employee of RWA to individuals, organizations, businesses or the press.

From time to time, employees may be approached by the media regarding RWA business. Employees should direct all inquiries to the general manager or Human Resources

1. Media access to non-public areas, or in situations where the presence of the media may interfere with operations or emergency situations must be cleared through the general manager or Human Resources.
2. Employees shall not be subjected to media interviews without the consent of the involved employee.

7.06 Computer Viruses/Adware/Spam/Worms

Without prior approval of the general manager, any software or infringement download should not be downloaded from the internet as the download could introduce a computer virus, adware, spam, or worms onto RWA computer equipment.

7.07 Data Security

Important company and employee digital information is password protected and hard copies are in a file room protected by a combination lock. As employees are granted greater access, they are informed verbally about correct protocol on releasing information.

8.0 Performance Evaluations

8.01 Performance Evaluations

RWA will use performance evaluations to assess the productivity, attitude and efficiency of the staff. Terry Jensen will oversee all performance appraisals for the flagging staff. Robert Thatcher will oversee performance appraisals for all other staff.

Performance evaluations will be performed on an as needed basis. However, employees may request a performance evaluation from their immediate supervisor, on both a formal and informal basis. The performance evaluation provides an opportunity for the employee and their supervisor to discuss work habits and goals, to identify and correct weaknesses, and to encourage and recognize strengths.

9.0 Training and Development

9.01 Training and Development Administration

The recruiting manager oversees the training and development administration for RWA. The recruiting manager or the general manager of the company modify and evaluate the training program. The purpose of the program is to give new or current employees the skills they need to perform their jobs and adequately handle company equipment. Employees are informed verbally or in writing about their on-the-job training.

9.02 Orientation Procedures

Regarding general orientation, it is an employee's responsibility to keep all equipment clean and orderly, and to represent RWA in a positive and professional manner. Sometimes employees will need to be prepared to help in all divisions of RWA as needed and are expected to make themselves familiar with the various products.

Employees need to ensure that job sites are correctly set up to provide a safe work zone for our clients, contractors, drivers, and fellow employees. This may be done by working as a team or sometimes individually. General laborers are expected to perform many different aspects of manual labor by their job supervisor. These duties range from shoveling and raking to occasionally operating small equipment. Heavy lifting is often required, and proper lifting techniques are essential. When in doubt, employees should ask for help.

Job supervisors are assigned and trained by the recruiting manager or general manager of the company. In most cases, any concerns and/or suggestions that an employee may have should go through their supervisor. Job supervisors have the final responsibility for the efficient progress and completion of each job; they are trained in important job matters including safety.

9.03 Job Description for Flaggers

The main orientation procedure is filling out the proper paperwork daily; this is reiterated during the 90-day training period. Flaggers report to the Lead Flagger, Senior Lead Flagger, or Traffic Control Coordinator. Flaggers have the following duties:

- Be at the shop ready to work at their assigned times in order to safely set up job sites, maintain job sites, and control traffic.
- Call daily to check for job assignments and/or answering phone calls from the office.
- Bring proper equipment when showing up at the office. Reference the flagger equipment list for any questions.
- Be physically ready to flag.
- Load and unload trucks. Equipment should be loaded carefully and correctly taking care not to damage the equipment or the trucks.
- Fuel trucks as needed. Make sure trucks are filled after use.
- Follow the approved traffic control plan.
- Control traffic in a safe and courteous manner.
- Read and implement an approved traffic control plan.

- Fill out all paperwork correctly and on time. This includes time sheets, job sheets, and rental sheets.
- Keep track and ensure the return of all equipment taken out to job sites.
- Keep existing job sites clean and safe.
- Be familiar with the Manual on Uniform Traffic Control Devices (MUTCD)
- Receive and communicate specific instructions clearly, firmly and courteously.
- Move and maneuver quickly to avoid danger from unsafe drivers.
- Control signaling devices to provide clear and positive guidance to drivers approaching a traffic control zone in changing situations.
- Recognize dangerous traffic situations and warn workers in sufficient time to avoid injury.
- Insure that job sites are correctly set up to provide a safe work zone for our contractors, drivers, as well as fellow employees.
- Be able to work as a team or individually.
- Ability to read and comprehend written instructions.
- Ability to lift 50 lbs on a regular basis.
- Good written and verbal communication skills.
- Ability to maintain calm under stressful situations.

9.04 Training Procedures

Training programs are generally done at the worksite as a form of on-the-job-training—training an employee to learn a job while working on it. In some areas, yearly training will be done, and updates will be given as needed.

Road Work Ahead has designed training manuals for flaggers for levels 1 and 2. Once each manual is completed and turned in, a raise is given.

9.05 Training for Flaggers and Supervisors

There are different levels of flagger within the company, and each level requires a written and practical test to progress to the next level. The following are the flagger levels: new flagger, flagger level 1, flagger level 2, flagger level 3, and flagger level 4. Level 3 and 4 flaggers require computer training. This training is done by the general manager of the company or someone who is assigned by the general manager.

To be employed as a flagger and become a flagger in any of the different flagger levels, employees need to obtain the required certifications. Credential certifications range in rank in the following order: Flagger Certification, Traffic Control Technician Certification, Traffic Control Supervisor Certification, and Flagger Instructor Certification.

9.06 Work Commitment

Employee training is a cost for RWA. After employees are trained, RWA expects employees to work at the company for a certain time-period. For instance, if the employee training amounted a

certain number of hours, it is expected the employee spends, at least, the same number of hours working for RWA before the employee decides to leave the company.

9.07 Training for Hazardous Conditions

Employees will be trained in areas that involve hazardous substances or conditions. It is the employee's right to ask questions and be provided with information at any time.

9.08 Continuing Education

RWA does not reimburse employees for education courses unless otherwise approved by the owners of the company. For any questions regarding this policy, the employee should contact his or her supervisor.

10.0 Safety

10.01 Safety Administration

Robert Thatcher is the administrator of safety policies and will make any changes necessary to provide for the safety of the company and its employees.

RWA wants to maintain a safe working environment for all RWA employees and the public. General safety rules have been developed for all employees. Direct line supervisors will be held accountable for the implementation of any additional departmental rules and/or safety activities, including training new staff, timely reporting of injuries, and accident investigation. Not every contingency for safety can be listed in one policy. Employees and supervisors should use common sense when conducting work.

Safety is the responsibility of every employee. When an employee observes a safety hazard, an unsafe act, or has a "near miss" incident, they are encouraged to notify their supervisor, or Human Resources so that appropriate investigation and action can be taken to avoid and/or prevent injuries.

All employee injuries shall be handled through Human Resources, accidents and injuries involving the public shall be reported to their supervisor.

All employees shall:

1. Behave in a manner that will ensure both their safety and the safety of others. Intentionally unsafe acts, initiating and/or participating in practical jokes and "horseplay" is not allowed.
2. Follow all established safety practices and instructions of their supervisors with respect to general RWA policy and specific departmental rules.
3. Participate in safety meetings and/or training as required.
4. In accordance with RWA's "Drug Free Workplace" policy, recognize and/or report to their supervisor if they are taking any medications, including over the counter medication, which may impair their ability to perform their job safely.

5. Report unsafe acts or conditions, as well as “near misses” of accidents to their direct supervisor or Human Resources.
6. Wear proper clothing in relation to their job requirements, including footwear. Utilize proper protective equipment (PPE) such as eye, ear, head protection, etc. when required or necessary for the task at hand.
7. Ensure tools, machinery, and vehicles are maintained and operated in a safe manner. Disable energy source(s) of machinery or electrical equipment if required for repairs.
8. Use chemicals properly and according to the manufacturer’s suggestions.
9. Ask for help when lifting objects that are too heavy or too awkward to be lifted alone.
10. Ensure all materials stored in tiers or on shelving are stacked, or otherwise secured to prevent sliding, falling or collapse.
11. Use stepladders or stepstools when reaching above the head.
12. Ensure that coffee pots, space heaters, and other similar devices not be left unattended. Open flames (such as burning candles) are not allowed.
13. Keep floors, hallways, and work area clean and orderly, and free from protruding objects, excess clutter, loose wires, tripping hazards, spills, etc.

Supervisors shall:

1. Behave in a manner that will ensure both their safety and the safety of others.
2. Be accountable for the activities of their employees and discipline employees for violating safety rules.
3. Enforce all RWA safety rules, as well as any federal, state, county and municipal safety laws, regulations and codes.
4. Train employees to ensure their effectiveness in producing safe working conditions and habits that will result in accident prevention.
5. Only allow qualified trained personnel to operate machinery or equipment, handle chemicals, etc.
6. Ensure employees have available and utilize proper protective equipment (PPE) when appropriate for the task at hand.
7. Encourage employees to follow good ergonomic practices, including allowing employees to take short breaks away from their workstations to stretch, change position, rest their eyes from computer usage, etc.
8. Encourage well thought-out safety suggestions, and report any potentially unsafe conditions.

Failure to follow this policy shall result in disciplinary action up to and including termination.

10.02 Hard Hat Policy

- All RWA employees shall have a hard hat for use on every job.
 - any employees who do not have a hard hat will be sent home for the day or required to purchase a hard hat.
 - all employees shall have their hard hat with them on job sites, even if their current job does not require the use of hard hats.

- RWA employees shall wear their hard hats if:
 - The contractor for which they are working requires hard hats
 - If the contractor is wearing hard hats, then we are wearing hard hats...
 - There are any overhead hazards
 - Tree trimming
 - Power poles being set
 - Overhead power lines
 - Trucks being loaded
 - Any work near a track hoe
 - The contractor requests the use of hard hats
 - The office requests the use of hard hats

Please use your best judgment when deciding whether a hard hat should be worn. If there are any questions if one should be worn, error on the side of caution and wear your hard hats.

If you have any questions about this new policy, please discuss it with a lead or a member of the office staff at an appropriate time.

10.03 Equipment Rental

Because certain items are required for employment, these items are available to rent at a daily rate of \$10.00 per day. This can be either all or part of the following; a Class 2 safety vest (V1300), a stop/slow paddle, a hard hat, and/or a 2-way radio. Once the cost of the item is reached at the daily rate, you will no longer be charged a daily rate and the equipment will be yours to keep. If you rent a vest and paddle, after nine days, the equipment is yours to keep. If you rent all, the vest, paddle, hard hat and radios, after thirteen days the equipment is yours to keep.

The rental cost will be billed on a weekly basis, the same time as payroll checks are created and cut.

If you forget your equipment, the same rental rates apply.

If you have a rental in your possession and you quit without returning the equipment to RWA, you understand that RWA can deduct the remaining balance of the cost out of the last paycheck.

10.04 Accident Reporting

If an accident occurs the employee must report the incident to their immediate supervisor as soon as possible, but no later than 24 hours from when the accident occurred. Each accident involving injury to an employee or other person or damage to property is to be investigated by the employee's supervisor. The results of the investigation are to be documented using a written accident report.

When involved in an accident, an employee is required to fill out an Incident Report at the scene of the accident. Police must be called before leaving the scene.

10.05 Material Safety Data Sheets

It is your “right to know” about any hazardous substances or conditions that you may encounter while work for RWA. You will be trained in these areas and it is your right to ask questions and be provided information at any time.

- RWA maintains copies of Material Safety Data Sheets at the RWA office.
- A master copy will be kept at RWA.
- Employees are expected to make themselves familiar with the various products.
- Yearly training will be done, and updates will be given as needed.

10.06 Vehicles

Motor vehicles will be operated in accordance with all local laws. Employees are expected to take appropriate care of and maintain company trucks and equipment. Any tickets received for driver error will be the responsibility of the driver. RWA does not share tickets. Any non-employee riding in any company vehicle will be required to sign an insurance waiver prior to riding. Any employee found abusing the trucks will lose his/her driving privileges. Seat belts must always be worn by every person in the vehicle.

All employees must report to their immediate supervisor any citations for traffic violations or other criminal charges occurring on or off RWA’s premises while conducting RWA business. The report of a citation must be made within the same work day of receiving the citation, unless unusual circumstances exist, in which case, the report must be made as soon as is reasonably possible.

RWA expects the trucks to not be abused. Regular use will take a toll on the trucks. Improper driving and poor loading will cause these trucks to wear excessively. RWA will perform all the needed maintenance on company vehicles. RWA believes in providing safe vehicles for our employees. If you notice any problems such as clutch problems, motor problems, or brake problems, please let your supervisor know immediately. Any accident involving an employee or equipment needs to be reported to a supervisor as soon as possible. Failure to report such accidents will result in disciplinary action, up to and including termination.

When loading traffic control equipment into trucks, put as much weight as possible in the front of the bed closest to the cab of the truck. This will help extend the life of the rear springs, as well as the tires. Before leaving the yard, a truck checkout sheet must be completed. Be sure to note any damage to the truck as you will be responsible for any unlisted damage. These checkout sheets can be found on the back of time sheets.

Trucks need to be emptied after completion of every job. All signs and stands need to be put away in the correct places. The inside of the trucks should be cleaned out daily. All garbage should be thrown away. Any trucks that will be used for a continuing job may stay loaded, but should be marked so that other flaggers know the truck is loaded for a continuing job.

Smoking in any RWA vehicle is grounds for immediate termination.

10.07 Vehicle Use Instructions

The back of each timesheet has pre- and post-trip inspection forms that must be filled out with each time sheet completed. These will guide you through the steps needed to make sure your vehicle is in operable condition before you leave and when you return from the job.

When getting a truck to use on a traffic control job, please follow these steps:

- Check with the supervisor on shift for truck availability. Ask which truck is suitable to take.
- Get the keys for your assigned truck from the key board located in the common room downstairs.
- Sign out the truck keys using the form which is hanging by the key board.
- Fill out the pre-trip inspection form on the back of your timesheet. Both the driver and the passenger need to fill out the pre-trip inspection.
- If the job has continued from the day before, and the same truck is being used, the pre-trip inspection still needs to be done to ensure that there are no changes in the condition of the truck from the previous day.

When checking the truck back in at the end of the day:

- Fill out the post-trip inspection form on the back of your timesheet. Both the driver and the passenger need to fill out the post-trip inspection.
- Return the truck keys to the keyboard; hang them in their assigned spot.
- Sign in the truck keys using the form which is hanging by the key board.
- If your job is completed after the shop has been closed for the day, put the keys through the mail slot located in the sign shop door. Make sure that the keys are completely through the slot, and are not hung up on the ledge of the mail slot. The supervisor on shift the next morning will check the keys in and initial for their return the next morning.

Under no circumstances should truck keys or fuel cards be taken home without prior approval. Any time a truck is used, it must be signed out, even it is only for a short time. If you have a truck signed out, you are responsible for any damage to the truck. When fueling the company vehicle, make sure you are only using your personal pin; do not use another employee's pin number.

This policy is being implemented to help track the use of the traffic control trucks, and to help limit unreported damage. If the employee has any questions, please speak to a supervisor at an appropriate time.

Smoking in any RWA vehicle is grounds for immediate termination.

Receipts for gas must be turned in at the end of every shift.

10.08 Fuel Cards and Vehicle Keys

Policy and procedure for fuel cards and vehicle keys are as follows:

- All trucks, keys, and fuel cards must be signed out before leaving for a job

- All keys and fuel cards must be turned in every night through the drop box (Twin Falls) or the mail box (Boise), or hung up in the office
- All traffic control vehicles must be parked in the traffic control yard unless the gate is locked, or the yard is full
 - For the Boise yard—if the designated spots at Sage Supply and RWA are full, company vehicles are to be parked in the back lot of Big Twin Motorcycle. This policy only applies to company vehicles; employee vehicles are not permitted. Do not park company or personal vehicles in any other area; this includes loading and unloading only zones.
- Never leave keys or fuel cards in the trucks, on the trucks, or around the trucks overnight unless otherwise specified
- While on job duty, keys should not be taken out of the trucks. To prevent lost keys, keys need to be left in the ashtray or in the ignition of the truck.
- Never take keys home
- Never take fuel cards home
- Never take vehicles home unless otherwise specified

Fuel cards and company vehicles are only to be used for official RWA business. If you violate these procedures, corrective action will be taken up to and including termination.

10.09 CDL Drivers

CDL Drivers are expected to follow DOT laws, rules, and regulations. In addition, CDL drivers are expected to help maintain a safe and legal truck. This will include filling out daily inspection reports on all trucks the employee drives and reporting daily equipment malfunctions.

10.10 Equipment

RWA will provide signs, stands etc. for all the work that is done. Upon employment, all new flaggers will need to purchase a safety vest, a stop/slow paddle, a radio, and a hard hat. The cost of these items may be deducted from the employee's first paycheck(s). These items should be brought to work every day. If an employee loses or forgets one of these items, RWA will rent one to the employee at the employee's expense. For more information of the rental cost schedule, please ask the Traffic Control Coordinator. The employee will then be responsible for that item until it is returned. Any lost or damaged items must be paid for from the employee's next paycheck.

Signs and stands should not be left out on job sites unless necessary; as they are easily stolen. Any employee found abusing company equipment will be subject to disciplinary action, up to and including termination.

10.11 Crisis and Emergency Communication Plan

In an emergency or crisis involving RWA, our general policy is to provide the news media, government, community leaders, company employees, and the public with accurate information at the earliest and most appropriate stages of the situation. The information provided should always be based on factual data that has the approval of RWA management. It is our policy that:

- Crisis related actions and decisions would be coordinated through the Emergency Management Team. The members of the Emergency Management Team, along with their mobile and home phone numbers are as follows:
 - Robert Thatcher (208) 420-2899
 - Traffic Control Coordinator (208) 731-4140 208-850-7068 (Boise)
 - Emergency on-call (208) 358-0444
- All employees will assist the Emergency Management Team in identifying potential emergency situations, in gathering facts, and in resolving emergency situations to a satisfactory conclusion.
- In the event of a crisis or emergency, all employees of RWA, and all employees of all subcontractors should avoid any public or private statements, or speculation on the emergency cause and/or effects. All requests for comments should be referred to designated members of the Emergency Management Team.
- The site of an emergency shall be maintained in its original state until a member of the Emergency Management Team directs removal of materials or cleanup.
- In the event of death or serious injury, only a member of the Emergency Management Team is authorized to issue information on the matter. Consideration for the family and friends of the victim shall be the primary concern.
- In the event an emergency attracts media representatives, only the Emergency Management Team is authorized to issue statements or allow admittance to the site. Names and appropriate identification shall be obtained from any media or other person.

11.0 Miscellaneous

11.01 Business Gifts/Donations

RWA may elect to donate the rental of traffic safety equipment to non-profit organizations. If an employee knows of a non-profit organization in need of such supplies, please have them contact the RWA main office.

11.02 Personnel Files and Records

RWA maintains a confidential personnel file for each employee. The personnel file includes such documentation as applications and related hiring forms, training records, performance documentation, salary history, and other employment related records.

Current employees have the right to review their own personnel files at any reasonable time. Requests should be made in advance to Human Resources. Employees may review their file only when a representative of RWA is present. Copies of the materials in the file are available to the employee at no charge.

Each employee shall be provided an opportunity to contest the contents of his/her personnel file at any time. This is to be done by filing a written objection and explanation which will be included in the file along with the objectionable material. False or unfairly misleading material may be removed from the file, at the discretion of the general manager after consultation with

legal counsel. However, in general, materials are to remain in personnel files accompanied by the employee's written objection and explanation to provide a complete employment history.

11.03 Personnel Data Changes

Changes in family status, such as births, deaths, or divorce may change your income tax status or effect your Family Medical Leave status. Promptly report these changes to the Office Manager or Human Resources for the appropriate paperwork.

It is important that RWA have certain personal information about our employees in our records. Employees are required to report any changes of mailing address, contact number(s), and other information related to employment such as legal name change, dependents' information and beneficiary designation(s) for benefit policies, etc. RWA also needs to have information about who to contact in case of an emergency.

11.04 Legal Posters

Posters required by law will be posted in the main break area.

11.05 Changes in Policies

RWA reserves the right to change this handbook at any time.

11.06 Not A Contract Statement

This handbook is not a contract. It is not to be construed or considered to be, in any way, a contract, or a guarantee of continued employment.

11.07 At Will Employment

You are employed with RWA at-will, and nothing contained in this handbook is intended to provide or guarantee you with employment for a specific time-period.

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Road Work Ahead/Sage Supply



EMPLOYEE HANDBOOK ACKNOWLEDGEMENT

I have received and read this employee handbook dated September 2017, and have had the opportunity to ask any questions I may have had about it.

I understand that this handbook supersedes any prior employee handbook or policies, written or oral. In addition, I understand that the policies, procedures, or benefits in this handbook may be modified, suspended, or eliminated, in whole or in part, at any time, with or without notice. I understand that the language used in the employee handbook is not intended to create, nor is it understood to constitute a contract or guarantee of employment. Likewise, I understand that no statement (in this handbook or elsewhere), oral or written, past or future, is, or was intended to create, nor is it to be construed to constitute a contract or guarantee of employment. I understand that any statement or representation concerning fair treatment is only a goal, and not enforceable as a contract or covenant.

I understand that my employment is "at will", meaning that I have no specified terms of employment. I understand that either I or the company may terminate the employment relationship at any time with or without cause or notice. I understand that changes in compensation, location, job duties, level of employment, or other changes do not modify my right or the company's right to terminate the employment relationship at any time, with or without cause or notice.

I also understand that no supervisor, manager, or other company representatives, other than the officers in the company, have the authority to make any statements or commitments contrary to the forgoing, including making any arrangement for employment for a special period of time. Further, I understand that any employment arrangement entered into by the company president with me shall not be enforceable unless it is in writing, and signed by both the company president and me.

By signing below, I acknowledge that I am not relying on any statements outside this form concerning my employment status. By signing below, I also acknowledge my agreement to comply with all procedures, policies, and conditions put forth in this employee handbook. I have received a personal copy of this handbook.

Employee Name (Please Print)

Employee Signature

Date

Road Work Ahead/Sage Supply



EMPLOYEE ACKNOWLEDGMENT OF DRUG AND ALCOHOL ABUSE TESTING POLICY AND CONSENT TO DRUG TESTING

I the undersigned employee acknowledge receipt of the Company Drug and Alcohol Testing Policy. I further acknowledge that the policy has been fully explained to me. I hereby consent to provide any and all samples of urine, blood, breath, saliva or hair as requested for those testing purposes.

I agree to abide by the terms of the companies Drug Free Workplace Testing Program. If I am a Commercial Driver's License holder I also agree to abide by all the rules & regulations governing me, such as: Department of Transportation or any other governing agencies.

I authorize the lab to release test results to an authorized agent of RWA and report the results to RWA.

I acknowledge and agree that a positive test or refusal to consent to give a sample or refusal to submit to a drug or alcohol test will be grounds for disciplinary action, including immediate termination.

Employee Name (Please Print)

Signature

Date

Supervisor Name (Please Print)

Supervisor Signature

Date