

Unmatched In The Industry

Employee Manual

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Section

1

Preliminary Information

Purpose of this Manual

The information in this Employee Manual is intended to provide basic facts about policies and benefits for employees of the Russell Landscape Companies which include: Russell Landscape, LLC; Russell Landscape Corporate, Russell Landscape Contractors, LLC; Russell Landscape Partners, LLC; Russell Landscape Florida, LLC; and Russell Landscape of Tennessee, LLC. We hope this manual will help you feel comfortable with us. Please do not hesitate to ask questions regarding this manual. Our policies, benefits and rules as explained in this manual and may be changed from time to time as business, employment legislation and economic conditions dictate. If and when provisions are changed, you will be given replacement pages for those that have become outdated.

A Word of Welcome

This Employee Manual has been provided so you might have full understanding of our policies and benefits, as well as our expectations of you as an employee. It is for the exclusive use and reference of Russell Landscape employees. The contents do not create any type of implied contract between Russell Landscape and its employees. It is solely designed to outline the major policies and procedures of Russell Landscape.

The keys to success for any business are a well-trained enthusiastic work force, an outstanding product line, and superior service. It takes a successful business to offer competitive salaries and benefits.

Again, welcome to the Russell team. Together, we will work to achieve our goals.

Notice of At-Will Employment

Employment is on an at-will basis. This means that employees are free to resign their employment at any time for any reason, and The Company retains that same right. No statements to the contrary, written or oral, made either before or during an individual's employment can change this. No individual supervisor, manager, or officer can make a contrary agreement except for the Chief Executive Officer (CEO) and/or the President, and even then, such an agreement must be set forth in a written employment contract with the employee, signed by the CEO and/or the President.

Manual Not a Contract

Nothing stated in this manual shall be deemed to constitute an employment contract or guarantee of further employment and employment shall be at-will unless a formal employment contract for a specific period of time has been executed between the employee and Russell Landscape. No manager, supervisor, team leader or representative of Russell Landscape may make any contract, promise, or commitment contrary to those guidelines outlined in this handbook. Therefore, any alleged contract, promise or commitment made by any of the foregoing identified individuals shall be unenforceable.

All provisions in this manual are subject to revisions of applicable local, state and federal laws. Any provision which may become unlawful under subsequent laws shall become void and unenforceable.

The policies in this manual are to be considered as guidelines. Russell Landscape, at its option, may change, delete, suspend or discontinue any part or parts of the policies in this Manual at any time without prior notice. Any such action shall apply to existing as well as future employees with continued employment being the consideration between the employer and the employee.

Statement on Equal Employment Opportunity

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Our goal at Russell Landscape is to recruit, hire, and maintain a diverse workforce. Equal employment opportunity is good business as well as being the law and applies to all areas of employment, including recruitment, selection, hiring, training, transfer, promotion, termination, compensation, and benefits.

It is the policy of the Russell Landscape to provide equal opportunity in employment without regard to race, religion, color, national origin, age, sex, disability (that does not prohibit the performance of essential job functions), marital status, citizenship, veteran status and/or without regard to perceptions of an individual's race, religion or national origin or any other characteristic protected by federal, state or local laws. It is the goal of Russell Landscape that the practices and policies regarding hiring, training, promotions, transfers, rates of pay, layoff and other forms of compensation provide equal opportunity for all. All matters relating to employment are based upon ability to perform the job, as well as dependability and reliability once hired.

Russell Landscape will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship, safety, and/or health risk.

As a government contractor, the organization has adopted a written Affirmative Action Plan to ensure utilization of minorities, the disabled, Vietnam-era or disabled veterans and women at all levels and divisions of the organization. This plan will be revised on an annual basis. Russell Landscape is committed to making a good-faith effort toward achieving the objectives of the Plan. Any employee who would like to review the Plan may do so by scheduling an appointment with the Human Resources Department during normal business hours.

If any employee feels there has been a violation of this policy, he or she should immediately report it to a manager or supervisor, or to one of the individuals whose name is listed in Appendix "A" to this Manual. It is the obligation of every employee to comply with this policy both in practice and spirit.

Section

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Pre-employment Matters

Physical Exams

Pre-Employment Credit/ Background Checks

Physical examinations may be required, at the company's expense, with Russell Landscape's physician prior to beginning employment and may be required periodically on a non-discriminatory basis as the company deems necessary.

Russell Landscape reserves the right to test for drugs in the pre-employment physical examination depending on the nature of the position for which an applicant is applying. Employees may also be tested in subsequent physical examinations and at random, by a physician or clinic, at the option of the company.

The position an individual applies for and the information he/she gives during the interview process will determine what contingencies may apply to an offer of employment. Employees applying for a position with Russell Landscape will be subject to reference checks with former employers and/or managers. Unless required by law, reference checks will not be shared with the potential employee. Individuals' claims to have certain educational credentials, either in writing or in an interview, are subject to verification.

Positions that have responsibility for initiating or affecting financial transactions may require a credit check of any individual offered such a position. These responsibilities could include, among other things, collecting or handling cash or checks, writing checks or approving them, access to a direct money stream or as a fiduciary to the organization. No credit checks will be conducted without the knowledge and authorization of the prospective employee.

Information gained from any of the above background checks will be held in confidence and shared with management individuals only on a need-to-know basis. Any attempt by a prospective employee to misrepresent the facts about credit information, prior convictions, or related transgressions may be disqualified or dismissed at once.

New Hire Paperwork

Branch administrators and managers have the responsibility to see that all new- hire paperwork is properly and fully completed when a new hire starts work. Paychecks will not be issued to any new hire until a completed I-9 form is on file and they have passed e-verification. Failure of the branch administrator or hiring manager to obtain a properly completed I-9 form for a new hire will be grounds for disciplinary action.

Due to strict U.S. Labor Department restrictions, Russell Landscape does not employ anyone under the age of sixteen (16.) Also, any employee under the age of eighteen (18) must comply with Russell Landscape's Youth Worker Agreement. Such employees must not be allowed to begin work without these items.

Section

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Personnel Files

A personnel file will be maintained by Russell Landscape on each employee and will contain certain information related to your employment including the date you began work, your wage rate, etc. It may also contain information about

• Your job and your performance

General Policies

- Reports of any disciplinary action taken for infraction of rules
- Wage increases, recognition and awards you have received
- Suggestions you may have submitted to management

It is the responsibility of each employee to provide current information to keep the file up-to-date at all times. If you have a change in any of the following items, please be sure to notify any individual whose name is listed in Appendix "A" as soon as possible:

- Legal Name
- Home Address
- Home Telephone Number
- Person to call in case of emergency
- Number of dependents
- Marital Status
- Change of beneficiary
- Military draft status

Coverage or benefits that you and your family may receive under Russell Landscape's benefit package could be negatively affected if the information in your personnel file is incorrect. You may review your file in the presence of a designated person from management, provided you schedule an appointment in advance. The personnel file is the property of Russell Landscape.

Open Communication

At Russell Landscape, we believe that communication is at the heart of good employee relations. Employees should share their concerns, seek information, provide input, and resolve work-related issues by discussing them with their supervisor until they are fully resolved. If an issue cannot be resolved at this level, the employee is welcome to discuss the issue with the manager of his/her department. The supervisor should set up a time for both of them to meet with the manager. If the employee's concern cannot be resolved with the manager, the employee may discuss it with an officer. The manager should schedule that meeting for the employee. If an employee has a concern about discrimination and/or harassment, Russell Landscape has set up special procedures to report and address these issues. Those reporting procedures are set forth in the Harassment and/or Discrimination Policy. Regardless of the situation, the employee should be able to openly discuss any work-related problems and concerns without fear of retaliation.

Service with Company

Length of service is the length of a regular full-time employee's continuous employment commencing with the last date of hire.

You will be credited with length of service from your last date of hire. Employees hired through a temporary agency and employees hired for an interim period shall not attain service-with-the-company status.

An employee's length of continuous service with Russell Landscape and the employment relationship may terminate if one of the following occurs:

If you quit or retire;

- 2. If you are discharged or otherwise terminate your employment;
- 3. If you are absent from work for two (2) consecutive working days without properly notifying your manager and being excused;
- 4. If you fail to report for work following a leave of absence or vacation, unless the extended absence is excused in advance by your supervisor;
- 5. If you fail to report for work as soon as possible, and at the latest, within two (2) working days following notification to return after a company layoff, unless excused in advance by your supervisor;
- 6. If you fail to report to work during the period March 1st to December 24th for a period of more than two (2) consecutive weeks, unless the extended absence is excused in advance by your supervisor;
- 7. If you fail to report to work during the period January 1st to March 1st for a period of more than four (4) consecutive weeks, unless the extended absence is excused in advance by your supervisor.

An employee's "service with company" shall not be interrupted if the employee is out of work on an approved Leave of Absence.

Anniversary

The first day you report to work is your "official" anniversary date. Your anniversary date is used to compute various conditions and benefits to which you may be entitled as further described in this Manual.

Absence

Absence of one day, during which no notification is given to your supervisor or permission obtained, may be considered job abandonment and voluntary resignation.

Attitude

No other factor has a greater impact on your ability to deal with people than your own attitude. Your personal feelings toward yourself and your job are instantly recognized by others, and these feelings have a direct effect on your communications with them. Build rapport with customers and co-workers by practicing good communication skills.

At-Will Employment

Unless otherwise specifically provided in an employment contract executed by and between yourself and Russell Landscape, your employment is considered "at-will" and can be terminated, with or without cause, and with or without notice, at any time, at the option of either Russell Landscape or yourself, except as otherwise provided by law.

Employee Meetings

All employees are required to attend employee meetings that take place during their regularly scheduled work hours, or at other times as requested.

Employee Whereabouts

Occasionally it becomes necessary for some employees to be out of the office. Before leaving, during working hours, each employee should inform their supervisor where they are going and for how long so that they can be reached if necessary.

Verbal Communication

Verbal communication includes both what we say and how we say it. Your choice of words, tone of voice, and your choice of phrases all convey a secondary message when you are conversing with a customer or a fellow employee.

Never assume a defensive attitude when answering questions or explaining a situation to a customer, vendor or fellow employee. Patience and empathy are essential in good verbal communication.

Courtesy and Customer Relations

A friendly greeting to customers and employees and independent contractors will set a positive tone for any experience. If you are working a position in which you are the customers' first encounter, your friendly greeting will make them feel welcome.

Remember that, as an employee of Russell Landscape, you are a representative of Russell Landscape's community. Therefore, you are expected to conduct yourself in a business-like manner at all times. The unprofessional treatment of customers, employees, or suppliers will not be tolerated at any time.

In handling problems that may arise, show concern, be sincere, get specifics, and handle the situation to the best of your ability. When necessary (depending on circumstances), consult with your supervisor. Our goal is to have every customer leave our business feeling they have been treated fairly and with genuine concern. Each situation must be handled uniquely, but it is generally better to make a customer happy than it is to be "right." In fact, we like this customer relations concept: "The answer is yes. Now, what is your question?"

Handling Complaints

Show interest and concern. Listen carefully to what the customer has to say and get the specifics of the complaint.

- 1. LISTEN
- 2. APOLOGIZE
- 3. SATISFY
- 4. THANK

If your attempts to remedy or calm the situation are not working, ask another manager for assistance.

Courtesy and Customer Relations

Russell Landscape encourages employees to submit ideas and suggestions to improve operations, reduce costs, and increase sales. Making constructive suggestions is considered part of your job and one of the reasons you're employed. Any and all suggestions should be submitted, either orally or in writing, to one of the individuals identified in Appendix "A" attached to this Manual.

Confidentiality

Employees are not to divulge confidential sales information, product information, or customer information to third parties outside the organization without approval from management. Confidential information includes, but is not limited to that information, which is of tangible or intangible value to Russell Landscape and is not public information or is not generally known or available to the company's competitors but is known only to Russell Landscape, its employees, officers, shareholders, directors, or agents to whom it must be confided in order to apply it to the uses intended. This includes historical financial statements, financial projections and budgets, historical and projected sales, capital spending budgets and plans, the names and backgrounds of key personnel, personnel training techniques and materials, floor plans, product information, construction practices, marketing strategy, pricing strategy, sales strategy and services of such companies and their affiliates ("Information"). Employees will not use the Information to the detriment of the company or any of its affiliates and shall hold the information in strict confidence. Employees are not to disclose any such information to (a) any other person in the organization unless there is a legitimate business reason for doing so or (b) any person outside the organization unless management has expressly stated that the information can be disclosed to that person. This obligation exists even after the employee leaves the organization.

Failure to abide by this policy may result in termination of employment.

Telephone & Cell Phone Use

Office telephones and company cell phones are a vital part of our business operation. Personal use of the telephone should be limited and personal telephone calls should be brief.

Cell phones are furnished to certain employees in connection with their duties. Employees need to limit personal use of cell phones in the same way they need to limit personal use of their office telephone. Employees that have excessive cell phone usage for telephone calls will be subject to corrective action up to and including termination.

Russell Landscape does not permit employees to operate a vehicle while using a hand-held cell phone. Russell Landscape requires the safe use of its cell phones by employees while conducting business. Employees should not use cell phones while driving or while at stop lights, stop signs, etc. because of safety concerns, but should instead pull to the side of the road to make or receive telephone calls, send or receive text messages, access navigation applications or engage in any way with the cell phone. If unable to pull over or stop prior to receiving a cell phone call, employees must utilize a hands-free

device for increased safety, keep the business conversation brief, and immediately locate a safe area to park.

During work time, employees should limit the use of their personal cell phones. Employees should set personal cell phones on the silent ring mode during work hours to avoid disturbing those working around them.

Regardless of whether a cell phone is company-issued or personal in nature, employees should never use any type of photographic feature on their cell phones to take pictures on the company's premises, while conducting company business, or at company-sponsored functions without receiving written permission from management to do so.

Social Media Policy

Russell Landscape recognizes that many of its employees subscribe to social networking sites including Facebook, MySpace, Linkedin, Twitter, Instagram and Snapchat. Even if you conduct social networking outside of working hours, your online profile, and the information, applications, text, music, pictures, posts, and links that are posted on your profile, should be appropriately tailored to its audience. Employee social networking profiles and personal blogs which are open to viewing by your colleagues at work, our customers, or the public ("Public Profiles") should be scrupulously free of material which might be disparaging of Russell Landscape's products, services, vendors or customers, employees, or material which would be viewed as obscene, harassing, threatening, intimidating, inappropriate or reflecting negatively upon the Company. You are required to comply with the company's policies on confidential information and harassment in your interactions with the public and with your co-workers in the social networking context. You may not use your Company business e-mail address or telephone number, nor may you post any photos with you or others wearing or displaying any item, vehicle or article of clothing bearing the Russell Landscape logo, on any Public Profile, other than Linkedin.com, without the prior permission of the CEO or President. You may not use social networking sites on company computers or smart phones during business hours, outside of scheduled breaks. Nothing in this policy can or is intended to limit your right to engage in concerted action pursuant to the National Labor Relations Act. Violation of this policy shall create grounds for discipline up to and including termination.

Parking at Company Facilities

Parking space is provided at all company facilities for employees who drive to work. At each facility there will be designated areas for each employee to park. Erratic parking will not be tolerated from any employee. Failing to park in proper designated areas often times results in accidents involving vehicles of two or more employees.

Russell Landscape will not be responsible for damages of personal vehicles belonging to employees parked on company owned or leased property. Each employee is advised to lock all doors and to not leave valuables in personal automobiles as Russell Landscape will not be held responsible. Any potential vandalism, minor accidents, or any unknown acts to employee personal auto/property is not the liability of Russell Landscape.

Disciplinary action will be taken for any employee seen putting trash (cups, bottles, cigarette packs, straws, etc.) on company premises.

Tobacco

The use of tobacco products including but not limited to cigarettes, cigars, pipes, smokeless tobacco, e-cigarettes and vapes is prohibited inside or around any of the organization's facilities or vehicles, around the shop and while an employee is operating any equipment. Employees are to confine the use of tobacco products, including but not limited to cigarettes, cigars, pipes, and smokeless tobacco, to designated smoking areas only. This policy relates to all work areas at all times, including before and after normal working hours. Time spent by employees smoking is deemed non-compensable time and the company has the right to withhold payment for time spent on a smoke break.

Solicitation

Solicitation by an employee for any cause or organization is prohibited during his or her working time or during the working time of the employee being solicited. Additionally, such solicitation by an employee at any time in working areas and/or customer service areas is prohibited. Distribution of

literature on company property by employees is prohibited during working time in working or customer service areas.

Uniforms

Branch Managers, Account Managers, and the labor staff are to be dressed in company uniforms when reporting to work on a daily basis. All employees are expected to be well groomed and present a professional personal appearance. Well-groomed is defined by neat and clean shirts, hair pulled back if long, and beards groomed to no longer than one inch if applicable. Tank tops, flip flops, evening wear, sheer clothing, tight or ill-fitting clothing, and sleepwear are unacceptable at any time. Make-up, jewelry, and other accessories should be kept to a conservative, professional minimum. Facial jewelry such as: tongue rings, eyebrow rings, nose rings, etc. are not permitted. Tattoos should be covered at all times. The appropriate dress/skirt length is no more than three inches above the knee.

Employees not in uniform and not presenting a positive professional image may not be allowed to work on company job sites. Company uniforms consist of a company logo hat/shirt, black or khaki pants and hard toed shoes. Upon hire, labor staff is responsible for purchasing their initial uniform pieces of two Russell logo t-shirts, either long-sleeved or short-sleeved, solid ball cap) or mesh ball cap and a safety vest.

Weapons

Despite some laws that allow people to carry firearms in public, Russell Landscape prohibits anyone from possessing or carrying weapons of any kind on company property, in company vehicles, or while on company time. This includes:

- Any form of weapon or explosive;
- All firearms; and
- All illegal knives or knives with blades that are more than six inches in length.

If an employee is unsure whether an item is covered by this policy, please contact Human Resources. Employees are responsible for making sure that any item they possess is not prohibited by this policy. Police officers, security guards, and other individuals who have been given consent by the organization to carry a weapon on the property will be allowed to do so.

While the organization has a policy prohibiting weapons, nothing in this policy shall be construed as creating any duty or obligation on the part of the organization to take any actions beyond those required of an employer by existing law.

Violence in The Workplace

The safety and security of all employees is of primary importance at Russell Landscape. Threats, stalking, threatening and abusive behavior, or acts of violence against employees, visitors, customers [clients], and/or company facilities or property by anyone on company property, on a company-controlled site, or in connection with company employment or company business will not be tolerated (even those made in jest). This includes any and all forms of electronic stalking. Violations of this policy will lead to corrective action up to and including termination and/or referral to appropriate law enforcement agencies for arrest and prosecution. Russell Landscape reserves the right to take any necessary legal action to protect its employees.

Any person who makes threats, stalks, exhibits threatening behavior, or engages in violent acts on company premises, on a company-controlled site, or in connection with company employment or company business shall be removed from the premises as quickly as safety permits and shall remain off company premises pending the outcome of an investigation. Engaging in this type of behavior may result in suspension and/or termination of any business relationship, reassignment of job duties, suspension or termination of employment, and/or civil or criminal prosecution of the person or persons involved.

All employees are responsible for notifying management of any threats that they witness or receive or that they are told another person witnessed or received. Even without a specific threat, all employees should report any behavior they have witnessed that they regard as potentially threatening or violent or that could endanger the health or safety of an employee when the behavior has been carried out on

company premises, on a company-controlled site, or is connected to company employment or company business. Employees are responsible for making this report regardless of the relationship between the individual who initiated the threatening behavior and the person or persons being threatened. The organization understands the sensitivity of the information requested and has developed confidentiality procedures that recognize and respect the privacy of the reporting employee.

Search

Access to company premises is conditioned upon its right to inspect or search the person, vehicle, or personal effects of any employee or visitor. This may include any employee's office, desk, file cabinet, closet, locker, computer files, or similar places. Because even a routine inspection or search might result in the viewing of an employee's personal possessions, employees are encouraged not to bring any item of personal property into the workplace that they do not want revealed to the organization.

Any prohibited materials (or materials that may be found to be prohibited) that are found in an employee's possession during an inspection or search will be collected by management and placed in a sealed container or envelope. The employee's name, date, circumstances under which the materials were collected, and by whom they were collected will be recorded and attached to the container or written upon the envelope. If, after further investigation, the collected materials prove not to be prohibited, they will be returned to the employee and the employee will sign a receipt for the contents. If the prohibited materials prove to be illegal and/or dangerous, they will not be returned to the employee, but will be turned over to the appropriate law enforcement agency.

From time to time and without prior announcement, inspections or searches may be made of anyone entering, leaving, or on the premises or property of the company (including alcohol and/or drug screens or other testing). Refusal to cooperate in such an inspection or search (including alcohol and/or drug screens) is grounds for termination.

Ethics and Conflicts Of Interest

Employees are expected to use good judgment, adhere to high ethical standards, and avoid situations that create an actual or perceived conflict between their personal interests and those of the organization. Russell Landscape needs to know that the transactions employees participate in are ethical and within the law, both in letter and in spirit. Employees who engage in unlawful conduct, even out of the workplace, may be subject to termination.

Russell Landscape recognizes that different organizations have different codes of ethics. However, just because a certain action may be acceptable by others outside of the company as "standard practice," that is by no means sufficient reason to assume that such practice is acceptable at our organization. There is no way to develop a comprehensive, detailed set of rules to cover every business situation. The tenets in this policy outline some basic guidelines for ethical behavior. Whenever employees are in doubt, they should consult with their manager.

Conflicts of interest or unethical behavior may take many forms including but not limited to the acceptance of gifts from competitors, vendors, potential vendors, or customers [clients] of the organization. Gifts may only be accepted if they have a nominal retail value and only on appropriate occasions (for example, a holiday gift). Employees are cautioned not to accept any form of remuneration or non-business-related entertainment, nor may employees sell to third parties any information, products, or materials acquired from the organization. Employees may engage in outside business activities provided such activities do not adversely affect the organization or the employee's job performance and the employee does not work for a competitor, vendor, or customer [client]. Employees are prohibited from engaging in financial participation, outside employment, or any other business undertaking that is competitive with or prejudicial to the best interests of the company. Employees may not use proprietary and/or confidential information for personal gain or to the organization's detriment, nor may employees use assets or labor for personal use.

If an employee or someone with whom the employee has a close personal relationship has a financial or employment relationship with a competitor, vendor, potential vendor, or customer [client] of the organization, the employee must disclose this fact in writing to Human Resources. Russell Landscape will determine what course of action must be taken to resolve any conflict it believes may exist. If the

conflict is severe enough, the company may be forced to ask the employee to tender his/her resignation. Russell Landscape has sole discretion to determine whether such a conflict of interest exists.

Employees are encouraged to seek assistance from their managers with any legal or ethical concerns. However, Russell Landscape realizes this may not always be possible. As a result, employees may call Human Resources at (770) 446-3552, extension 1150, to report anything that they cannot discuss with their manager.

Use of Company Property/Supplies

The use of business stationery and/or the company's postage meter for personal correspondence is strictly forbidden. The personal use of its facsimile or copying machines also is forbidden without first receiving management approval and reimbursing the company at the currently prevailing rates.

Receiving personal mail at the company's address is strongly discouraged because it adds to an already large mail volume.

Employment Practices

Anti-Harassment Policy

Harassment based on sex, race, color, national origin, religion, disability, pregnancy or age is strictly prohibited by Russell Landscape as well as by state and federal law. Russell Landscape will not tolerate any instances of unlawful harassment of any kind by any employee/independent contractor or other person with which an employee comes in contact because of his or her association with the company. No employment decision will be based on an employee's involvement, or refusal to be involved in, sexually charged conversations, flirtations, or joke-telling, or behavior that disparages, offends or ridicules based on sex, race, color, national origin, religion, disability, pregnancy, age or other characteristic protected by federal or state law, including perceptions of a person's national origin or religion.

A. <u>Definition and Prohibited Actions</u>:

- 1. Harassment based on race, color, national origin, religion, disability, pregnancy or age, and/or a person's perceived national origin or religion occurs when comments, jokes, gestures, or written communications disparage, ridicule, threaten or otherwise offend based on these classifications.
- 2. Sexual harassment is defined by the EEOC as "unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature". The Company recognizes this definition.

B. <u>Complaint Procedures</u>:

- 1. Any employee feels he/she has been subjected to any form of harassment and/or discrimination, should report that conduct to his/her immediate supervisor, another member of management, or Human Resources within three calendar days of the offense. The employee is not, however, required to report to a supervisor who may, in fact, be the perpetrator.
- 2. If the employee is not comfortable reporting to the supervisor, he or she may report the problem to another managerial/supervisory employee, which can include one of the individuals identified in Appendix "A".
- Retaliation against employees who, in good faith, bring harassment complaints or assist in investigating such complaints is prohibited.
- 4. Harassment, including sexual harassment, may arise not only from other employees/independent contractors but also from supervisors of any level in the Company as well as non-employees/independent contractors with whom the employee has contact due to his or her association with the Company. Report the incident(s) no matter who is involved.
- 5. It is also very important for employees who witness harassment, including sexual harassment that is directed at others, to immediately report such occurrences so that management may get involved as quickly as possible to investigate and correct the situation.

C. <u>Company Response:</u>

- Russell Landscape will respond quickly to investigate claims of harassment and will take appropriate and prompt measures to discipline offenders in order to prevent such behavior in the future. The issue will be treated as confidentially as possible. The investigation, however, will require some disclosure of a limited nature to properly assess the situation.
- 2. Violators of this policy will be subject to immediate disciplinary action up to and including termination. Non-employee violators of this policy will be subject to expulsion from the company's facilities when harassment occurs on its premises. If harassment occurs off company premises, violators of this policy will be subject to discontinuation of service.

3. If an employee continues to experience harassing conduct from an individual who has already been disciplined for such behavior, he or she must notify one of the individuals whose name is listed in Appendix "A" immediately.

SEXUAL HARASSMENT, SPECIFICALLY

While Russell Landscape does not wish to intrude upon the personal lives of its employees or to interfere with social relationships, it is our policy to maintain a working environment free from all forms of sexual harassment or intimidation. Unwelcome advances of a sexual nature, requests for sexual favors, and other verbal or physical conduct of a sexual nature will not be condoned or permitted. Sexual harassment is not only a violation of company policy, but may also violate Title VII of the Civil Rights Act. Failure to comply with this policy may result in disciplinary action up to and including discharge. This policy applies to all employees as well as outsiders and clients.

Sexual Harassment is broadly defined as unwelcome sexual advances, request for sexual favors, and other verbal or physical conduct of a sexual nature where:

- submission to the conduct is explicitly or implicitly made a term or condition of employment;
- submission or rejection of this conduct is used as a basis for an employment decision;
- the conduct has the purpose or effect of substantially interfering with an individual's work performance or creates an intimidating, hostile, or offensive work environment.

Any individual who believes that he or she is being subjected to sexual harassment or intimidation, or who knows about it happening to others should, without fear of reprisal, promptly report the incident to Human Resources. Each complaint of sexual harassment will be carefully investigated and where appropriate, corrective action will be taken. All such reports will be treated in the strictest confidence possible.

Substance Abuse Policy

Russell Landscape is a Drug-Free Workplace and therefore is committed to providing a safe work environment and to fostering the well-being and health of its employees. That commitment is jeopardized when any company employee illegally uses drugs on or off the job, comes to work under their influence, possesses, distributes or sells drugs in the workplace, or abuses alcohol on the job. For purposes of this policy, an employee shall be determined to be under the influence of alcohol if the employee's normal faculties are impaired due to the consumption of alcohol or the employee has a blood alcohol level of .04 or higher. Therefore, Russell Landscape has established the following policy:

- 1. It is a violation of company policy for any employee to use, possess, sell, trade, offer for sale, or offer to buy illegal drugs or otherwise engage in the illegal use of drugs on or off the job.
- 2. It is a violation of company policy to report to work under the influence of or while possessing in his or her body, blood or urine illegal drugs in any detectable amount.
- 3. It is a violation of company policy for any employee to report to work under the influence of, or impaired by, alcohol.
- 4. It is a violation of company policy for any employee to use prescription drugs illegally, i.e., to use prescription drugs that have not been legally obtained or in a manner or for a purpose other than as prescribed. (However, nothing in this policy precludes the appropriate use of legally prescribed medications).
- 5. Violations of this policy are subject to disciplinary action up to and including termination.

As a condition of employment, employees must abide by the terms of this policy and must notify Human Resources in writing of any conviction of a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.

Drug Tests

An employee reporting to work visibly impaired will be deemed unable to properly perform required duties and will not be allowed to work. If possible, the employee's supervisor will first seek another supervisor's opinion to confirm the employee's status. Next the supervisor will consult privately with the employee to determine the cause of the observation, including whether substance abuse has occurred. If, in the opinion of the supervisor, the employee is considered impaired, the employee will be sent home or to a medical facility by taxi or other safe transportation alternative – depending on the determination of the observed impairment – and accompanied by the supervisor or another employee if necessary. A drug test may be in order. An impaired employee will not be allowed to drive.

1. Opportunity to Explain or Contest Results

Employees and job applicants who have a positive confirmed test result may explain or contest the result within five (5) working days after the company contacts the employee or job applicant and shows him/her the positive test result as it was received from the laboratory in writing.

2. Confidentiality

The confidentiality of any information received by the employer through a substance abuse testing program shall be maintained, except as otherwise provided by law.

3. Pre-Employment Drug Testing

All job applicants at may undergo testing for the presence of illegal drugs as a condition of employment. Any applicant with a confirmed positive test will be denied employment. Applicants will be required to submit voluntarily to a urinalysis test at a laboratory chosen by the company, and by signing a consent agreement will release Russell Landscape from liability.

If the physician, official or lab personnel have reasonable suspicion to believe that the job-applicant has tampered with the specimen, the applicant will not be considered for employment.

Individuals who have failed a pre-employment test may initiate another inquiry after a period of not shorter than six (6) months; but they must present themselves drug-free as demonstrated by urinalysis or other test selected by the company.

Drug Testing Procedures

Russell Landscape has adopted testing practices to identify employees who use illegal drugs on or off the job or who abuse alcohol on the job. It shall be a condition of employment for all employees to submit to substance abuse testing under the following circumstances:

- 1. When there is reasonable suspicion to believe that an employee is using illegal drugs or abusing alcohol. 'Reasonable suspicion' is based on a belief that an employee is using or has used drugs or alcohol in violation of the company's policy drawn from specific objective and articulable facts and reasonable inferences drawn from those facts in light of experience. Among other things, such facts and inferences may be based upon, but not limited to, the following:
 - (a) Observable phenomena while at work such as direct observation of substance abuse or of the physical symptoms or manifestations of being impaired due to substance abuse;
 - (b) Abnormal conduct or erratic behavior while at work or a significant deterioration in work performance;
 - (c) A report of substance abuse provided by a reliable and credible source;
 - (d) Evidence that an individual has tampered with any substance abuse test during his or her employment with the current employer;
 - (e) Information that an employee has caused or contributed to an accident while at work;
 or

- (f) Evidence that an employee has used, possessed sold, solicited, or transferred drugs while working or while on company premises or while operating a company vehicle, machinery, or equipment.
- 2. When employees have caused or contributed to an on-the-job injury that resulted in a loss of work time, which means any period of time during which an employee stops performing the normal duties of employment and leaves the place of employment to seek care from a licensed medical provider. Russell Landscape may send employees for a substance abuse test if they are involved in on-the-job accidents where personal injury or damage to company property occurs.
- 3. As part of a follow-up program to treatment for drug abuse.
- 4. When a substance abuse test is conducted as part of a routinely scheduled employee fitness-for-duty medical examination that is part of the company's established policy or that is scheduled routinely for all members of an employment classification or group.
- 5. Random drug tests.

Employees with a confirmed positive test result may, at their option and expense, have a second confirmation test made on the same specimen. An employee will not be allowed to submit another specimen for testing.

If the physician, official, or lab personnel have reasonable suspicion to believe that the employee has tampered with the specimen, the employee is subject to disciplinary action up to and including termination.

Internet Use & Access

All employees are responsible for maintaining systems security. Employees with access to a computer are responsible for safeguarding their password to ensure that no transaction takes place under that password for which they are not responsible. Under no circumstances should employees reveal their password to another individual. Passwords and encryption keys must be made available to the company's IT Department upon request. If a business need should arise in which it is necessary to obtain access to a specific computer in the absence of the assigned user, appropriate management authorization must be obtained. Passwords should be changed and reset when the employee returns to work.

Even though employees may have their own passwords for accessing e-mail, the Internet, and computers issued to them, company computers and the information that is received or transmitted through them is the property of Russell Landscape. Russell Landscape reserves the right to monitor the use of company equipment by employees and others and employees should have **no expectation of privacy** with regard to any information contained or accessed on computers to which they have access. Employees with access to a computer should not:

- Download software without approval from the IT Department. Software that is approved for downloading must be registered to the company. Do not copy software unless authorized by the IT Department;
- Knowingly introduce a computer virus, worm, "Trojan horse," or any other contaminating or destructive features into the organization's computers;
- Transmit copyrighted materials without permission;
- Download files from the Internet except for an express business purpose;
- Transmit, forward, or download material that is offensive, abusive, pornographic, obscene, profane, discriminatory, harassing, insulting, derogatory, inflammatory, fraudulent, or otherwise unlawful;
- Use e-mail or the Internet for any purpose that is illegal, against company policy, or contrary to the Company's best interest;

- Transmit or disseminate the company's confidential information, proprietary materials, or trade secrets to any outside source without an express business purpose or authorization;
- Send or forward any chain e-mail, broadcast e-mail, or spam;
- Gamble and/or participate in fantasy sport leagues;
- Participate in instant messaging;
- Solicit non-company business on company e-mail or Internet for personal gain including outside employment, self-employment, and family-owned businesses;
- Write or participate in blogs that injure, disparage, and/or defame the organization, its customers, its competitors, and/or its employees' reputations by name or implication; other than as permitted by the National Labor Relations Act.
- Transmit or download information seeking employment outside of the company; Use the company's e-mail or computer system to solicit for personal causes;
- Use the company's e-mail or computer system to solicit or encourage other employees to join, support, or contribute to any outside organization other than charitable organizations sponsored by the company.
- Use the company's e-mail or computer system to send invitations, other than invitations of a personal nature;
- Visit chat rooms, use list-serves, instant messaging, and/or news groups as well as post their e-mail addresses on the Internet when not business-related;
- Receive or forward unsolicited e-mails that violate company policy;
- Download radio, video, or music transmissions from Internet sites;
- Attempt to defeat any security mechanisms to gain unauthorized access to computer files or other information on the company's telephone systems, electronic communication systems, or information systems;
- Attempt to read, intercept, copy, or delete e-mails between other users;
- Post or transmit any message anonymously or under a false name or permit any other individual to do so;
- Impersonate another person; or
- Collect information about others, including e-mail addresses, without their consent.

Employees may encounter information on the Internet that relates to Russell Landscape or its products and/or services. Should such information be encountered, employees should not respond but instead should bring the information to the attention of management. Management will determine if a response is appropriate to the information.

Brief and occasional personal use of the Internet is acceptable as long as it is not excessive or inappropriate, does not occur during work time, does not violate any of the prohibitions listed above, and does not result in expenses to the company. Management reserves the exclusive right to determine whether any use is inappropriate, excessive, and/or violates this policy.

Email Policy

This policy describes Russell Landscape's guidelines with regard to access to and disclosure of electronic mail messages sent or received by Russell Landscape employees with use of the company's e-mail system. Russell Landscape respects the individual privacy of its employees. However, employee privacy does not extend to the employee's work-related conduct or to the use of company-provided equipment or supplies. You should be aware that the following guidelines may affect your privacy in the workplace.

A. <u>Management's Right to Access Information</u>:

The electronic mail system has been installed by Russell Landscape to facilitate business communications. Although each employee has an individual password to access this system, it belongs to the company and the contents of E-mail communications, PDA communications, text messages and instant message communications which are sent using the company email system and/or network and/or sent using company devices including computers, PDAs and cell phones ("Electronic Communications") are accessible at all times

by management for any business purpose. These systems may be subject to periodic unannounced inspections and should be treated like other shared filing systems.

All system passwords and encryption keys must be available to management, and you may not use passwords that are unknown to your supervisor or install encryption programs without turning over encryption keys to your supervisor. All Electronic Communications are company records. The contents of Electronic Communications properly obtained for legitimate business purposes may be disclosed within the company without your permission. Therefore, you should not assume that Electronic Communications messages are confidential. Back-up copies of Electronic Communications may be maintained and referenced for business and legal reasons. Employees do not have a personal privacy right to any matters received, created in, sent over, or stored in company telephone systems, communication systems, and/or computer systems. Russell Landscape reserves the right to monitor, access, and read any and all information contained in its telephone systems, communication systems, and/or computer systems. Employees will be in violation of the organization's discrimination and/or harassment policy if employees send, receive, or access discriminatory, harassing, or otherwise inappropriate messages via any of these systems.

B. Personal Use of E-Mail:

Because Russell Landscape provides the electronic mail system to assist you in the performance of your job, you should use it for official company business. Incidental and occasional personal use of Electronic Communications is permitted but these messages will be treated the same as other messages. Russell Landscape reserves the right to access and disclose as necessary all messages sent over its E-mail system, without regard to content. Since your personal messages can be accessed by management without prior notice, you should not use Electronic Communications to transmit any messages you would not want read by a third party. For example, you should not use the company E-mail system for gossip, including personal information about yourself or others, for forwarding messages under circumstances likely to embarrass the sender, or for emotional responses to business correspondence or work situations. In any event, you should not use these systems for such purposes as soliciting or proselytizing for commercial ventures, religious or personal causes or outside organizations or other similar, non-job-related solicitations. If the company discovers that you are misusing the E-mail system, you will be subject to disciplinary action up to and including termination.

C. Forbidden Content of E-Mail Communications:

You may not use company E-mail systems in any way that may be seen as insulting, disruptive, or offensive by other persons, or harmful to morale. Examples of forbidden transmissions include sexually explicit messages, cartoons, or jokes; unwelcome propositions or love letters; ethnic or racial slurs; or any other message that can be construed to be harassment or disparagement of others based on their sex, race, sexual orientation, age, national origin, or religious or political beliefs. Use of company-provided E-mail systems in violation of this guideline will result in disciplinary action, up to and including termination.

D. Password and Encryption Key Security and Integrity:

Employees are prohibited from the unauthorized use of the passwords and encryption keys of other employees to gain access to the other employee's E-mail messages.

Unlawful Use of Company Property

Copying or other unauthorized use of company or vendor software, databases, company documents or misappropriation of confidential company information is prohibited. Unauthorized use of company telephones, fax machines, copy machines, modems and online services is also strictly prohibited. Infractions of these policies are considered serious and may result in discipline up to and including discharge.

It is the policy of Russell Landscape that its directors, officers, employees, and agents shall not maintain, exercise, or engage in practices which are illegal. To this end, every copy of software used on any

company personal computer (PC) shall be a legitimate copy properly purchased or licensed by the company. This policy shall be enforced even if the PC is not located on company property.

All PCs used by Russell Landscape will be required to have properly purchased or licensed copies of software installed on them. The individuals identified in Appendix "A" are responsible for ensuring that each program is properly registered with the software publisher. In order to clarify any uncertainty regarding lawful use of computer software acquired by and to prevent any possible violations of the U.S. Copyright Act, The Company hereby adopts the following policies:

A Acquiring Software for Company Use

- 1. Russell Landscape is responsible for providing employees with a legally acquired copy of each software product. The company determines what is necessary for employees to perform their responsibilities on company PCs. All such software acquisitions will be handled by those individuals identified in Appendix "A".
- 2. The procedure for compliance shall be for all PC software purchases to be routed through one of the individuals identified in Appendix "A". Such individuals will ensure that The Company properly acquires the requested software product, and will retain a copy of the license agreement and the underlying purchase order, as well as appropriate records with respect to the PC on which the software is installed.

B. Installation, Use and Copying of PC Software:

- 1. Under the U.S. Copyright Act, each software program acquired by Russell Landscape can be installed and used on only one PC at a time, unless additional permission is obtained from the software publisher. In connection with that use, the Copyright Act specifies only two situations in which that software may be copied. The original disk(s) obtained from the vendor and containing such software product may be copied onto the hard disk of one PC only. After a program is loaded onto the hard disk of a PC, then that particular copy of that program, regardless of whether or not it is serially numbered, may not be loaded on the hard disk of any other PC.
- 2. Additional copies of the original disk(s) obtained from the vendor and containing such software product may be made only for backup or archival purposes and only to the extent reasonably necessary for such purposes.
- 3. All other copying of software, in the absence of specific written permission from the software publisher, is specifically prohibited. Accordingly, to ensure that we comply with the Copyright Act, the following policies are adopted:
 - a. No employee of Russell Landscape may install or store any software acquired for use by the company on the hard disk of any company PC, without prior written clearance from one of the individuals identified in Appendix "A". This includes public domain and shareware software.
 - b. No employee of Russell Landscape may copy any software acquired for use by the company, except for copies reasonably required for backup or archival purposes.
 - c. No employee of Russell Landscape may copy any software acquired for use by the company for personal use or for the use of third parties.
 - d. No employee of Russell Landscape may lend the original or any copy of any software to third parties, without first receiving written approval from one of the individuals identified in Appendix "A".

- e. No employee of Russell Landscape may store software on a local area network where it can be downloaded to other computers on the network without first receiving written approval from one of the individuals identified in Appendix "A".
- f. No employee of Russell Landscape may remove any software acquired for use by the company from company premises, to run on a home or other non-company PC, or for any other purpose, without first receiving written approval from one of the individuals identified in Appendix "A".
- g. No employee of Russell Landscape may bring to the company premises, or run on a company PC, any software acquired for use on his or her home or other non-Company computer.
 - (i) It is the Company's policy that every copy of software used on the Company PC be an authorized copy properly owned by or licensed to The Company. This policy specifically includes games and entertainment software as well as business software.
 - (ii) Each employee must assist in maintaining the integrity of this policy by becoming aware of the status of each software program they use, and reporting any suspected illegal copying to his/her supervisor or to one of the individuals identified in Appendix "A".
 - (iii) The individuals identified in Appendix "A' will be responsible for maintaining files on all software which is purchased by or licensed to any division of the company. These files will include purchase records and license agreements for each copy of each software package used by the company.
 - (iv) The individuals identified in Appendix "A" will also be responsible for monitoring all software which is used on each Company PC, in order to verify that each copy of each program stored on each Company PC is an authorized copy that was legally installed on that computer. To this end, The Company will make periodic unannounced audits of all software programs stored on the Company computers.
 - (v) If the company is unable to verify that a program stored on a company computer is an authorized copy legally installed on that computer, the company will require that the department/employee responsible for operating that computer provide appropriate verification by producing a copy of the purchase order or the license agreement for the software, along with the original vendor-supplied documentation and the original vendor-supplied system diskettes for the software. Otherwise, the software will have to be purchased or removed from the computer.

C Discipline of Violators

Russell Landscape will not tolerate any employee making unauthorized copies of software. Any employee found copying software other than for legitimate backup purposes, or knowingly using unauthorized copies of software, is subject to disciplinary action, including possible termination of employment. Any employee giving copies of software to any outside third party, including clients or customers, is also subject to disciplinary action, including possible termination of employment. This policy may seem harsh, but unless we enforce a strict policy on software use, Russell Landscape will be exposed to serious legal liability.

1. Russell Landscape reserves the right to determine whether an employee's activities are in conflict with the company's policy and to take whatever action is required to remove this

conflict. Such action may include making periodic unannounced audits of the software stored on company owned or leased computers.

2. Unauthorized copying of software licensed to Russell Landscape or storage of unauthorized copies of software on company owned or leased computers may be cause for dismissal. This policy shall be enforced even if the PC is not located on company property.

Outside Employment/ Moonlighting

On occasion, employees of Russell Landscape may decide to seek employment outside of their regular working hours. Russell Landscape has no objection to this type of work so long as the employee has prior written approval of management and:

- 1. The outside employment is not engaged at a Company facility or utilizes Company materials or other Company personnel;
- 2. The outside employment is not engaged in during the employee's regularly scheduled working hours;
- 3. Additional employment does not cause a conflict of interest or a conflict in the satisfactory and impartial performance of the employee's duties;
- 4. The outside employment is not with a competitor of the company; and
- 5. The outside employment does not cause the company to be seen in a negative or unfavorable light.

Workers' Compensation Policy

According to Georgia law, a company with more than one employee must provide Workman's Compensation insurance for its employee. This means if an employee is injured at work or suffers a work-related illness, benefits will be provided. Benefits include coverage for any medical expenses and rehabilitation services needed due to a work-related injury or illness. Wages will be reimbursed at a possible 2/3 replacement ratio for time missed due to a work-related injury or illness. The state mandates a ceiling on total amounts on claims; when a lawyer is consulted, his fees come out of this state-set settlement.

Because fraud of Workman's Compensation benefits is a growing problem in the workplace, insurance companies and employers are aggressive in their follow-up procedures for each Workman's Compensation claim. A false claim of work-related injury or illness by an employee is **fraud**. Fraud is punishable by time spent in jail or prison and fines.

When a work-related injury occurs, you must notify the safety director and/or your supervisor <u>immediately</u>. Injuries that are not reported in a timely manner are subject to denial.

Panel of Physicians Notification

When an employee is involved in an on-the-job injury and emergency treatment is not necessary, the employee must accept the services of physicians from the Panel of Physicians (the "Panel"). If the employee desires to obtain medical services from a physician not listed on the Panel, the employee may do so; however, the employee will be liable for those medical expenses. The physician selected from the Panel may arrange for appropriate consultations, referrals, and other specialized medical services as the nature of the injury requires. If the employee is dissatisfied with the physician selected, the employee may make one change without permission to a second physician also listed on the Panel. However, any further changes require the permission of the company / insurer, self-insurer claims office, or the state Board of Worker's Compensation. All injured employees will subject to a post-injury 5-Panel drug screening. If the employee is found to have illegal substances present, their workers compensation claim will be denied and they will be subject to termination.

In case of an emergency, the employee should be taken to the nearest emergency room. However, all follow-up care must, thereafter, be rendered by physician from the Panel, or a Panel Physician's referral.

The employee must notify his/her supervisor and someone listed on Exhibit "A" as soon as the injury occurs, regardless of the extent of the injury. Delay in notification may result in denial of payment for medical services rendered.

Credit Card Use Policy

Russell Landscape authorizes certain employees to use company credit cards for specific transactions that benefit the company and the employee in conducting company business. Any employee who has been issued or entrusted with a company credit card is prohibited from making any personal charges on the company credit card. Any employee who has been issued or entrusted with a company credit card and uses the company credit card in a manner and for purposes not authorized by the company in order to purchase money, goods, services or anything else of value shall be disciplined up to and including termination, and Russell Landscape has the right to seek full recourse from the employee as provided for under the law. Russell Landscape further prohibits any employee who has been issued or entrusted with a company credit card, unless given prior authorization from management, from making purchases in excess of \$250.00 that are not billable to a client without first receiving permission from someone listed on Exhibit "A."

Compensation/Wage and Hour Policies

Section

6

Salaries and Wages

Russell Landscape employees are paid every other Thursday.

Payroll Deductions

Federal and state laws require Russell Landscape to make certain deductions from the wages of all employees which shall be made in accordance with ordinary payroll practices.

Independent Contractors are responsible for making their own deductions and withholdings.

Employment Classifications

The Fair Labor Standards Act requires all employees to be classified according to the overtime provisions of the law. For the purpose of paying any compensation, all employees are classified as either "Exempt" or "Nonexempt" from overtime compensation. All determinations of wage classification status are made through the job evaluation process.

The Human Resources Department is responsible for classifying all employees into one of three categories for eligibility to receive certain benefits offered by the company. These categories are defined as:

- **FULL-TIME** An employee who is normally scheduled to work 40 hours per week for 52 weeks per year.
- **PART-TIME** An employee who is expected to establish a continuity of service, but is scheduled for less than 30 hours per week and/or less than 52 weeks per year. A part-time employee is expected to work more than 26 weeks per year.
- **TEMPORARY** [or SEASONAL] An employee who is hired for a specific period of time and is not expected to establish a continuity of service. It is expected that an employee should not remain in temporary job status longer than six months.

Garnishments

Russell Landscape hopes that you will manage your financial affairs so that it will not be obligated to execute any court-ordered wage assignment or garnishment against your wages. However, whenever court-ordered deductions are to be taken from your paycheck, you will be notified. According to the Federal Wage Garnishment Act, three (3) or more garnishments may be cause for dismissal.

Working from Home

It is the company's policy that all work necessary to perform your job be performed on company premises or at designated job sites and within scheduled working hours. Exempt employees are permitted to work off premises, for example at their home, with prior approval from management. Non-exempt and temporary employees must receive prior permission before working off premises. Independent contractors simply work at the location of the specific job on which they are working.

Pay Period

The pay period is bi-weekly (26 per year), paid every other Thursday. If a holiday occurs on a Thursday when pay is due, the company will pay on the Wednesday prior to the normally scheduled Thursday.

Federal, state and city payroll deductions will be made for each employee. Remember that forms for tax deductions and insurance must be updated if there is a change in dependency status. Independent Contractors are responsible for their own withholdings.

Hours of Work

The standard workweek is 40 hours. The standard workday for labor staff is ten hours, Monday through Thursday, for nonexempt workers. Workday lengths for exempt employees are determined primarily by their current workloads. General work hours are from 6:00 a.m. to 4:30 p.m. daily. As starting and ending times vary based upon the work load and weather, the manager of each department will determine the schedule for his/her department. Friday and/or Saturday work may also be required due

to weather and/or other extenuating circumstances. The workweek commences on Saturday morning at 12:01 a.m. and ends the following Friday evening at midnight. Two fifteen-minute paid breaks are provided to any employee who works a minimum of six hours per day. A one-hour lunch break where no company business is performed is mandatory for all labor employees. The workweek schedule for management and office staff is as follows: Monday, 9:00 a.m. to 6:00 p.m.; Tuesday through Thursday, 8:00 a.m. to 5:00 p.m.; Friday, 9:00 a.m. to 3:00 p.m. Schedules may be changed with prior approval from management.

Attendance and Punctuality

We recognize the need for employees to be absent from work due to illness or the need to take care of personal business during the normal workday. We instituted paid time off (PTO) to provide for these needs as they arose. Employees also may qualify for a leave of absence for their own major illness, the major illness of a family member, the birth or adoption of a child, workers' compensation injury, or military and/or National Guard duty. Having provided for these situations, it is important to remember that excessive absenteeism, tardiness, and/or leaving early causes the burden of filling in for the absent employee to fall on other employees within the organization. It is a requirement of each job that an employee report to work punctually and work all scheduled work hours as well as any required overtime.

Time Reporting

All nonexempt employees must clock in and out to record their daily hours worked. These timecards are used to compute earnings and are kept as a permanent record. Each employee is responsible for accurate clocking of his/her time. Clocking in or out for another employee, falsifying or altering your own or another employee's time card is a violation of policy and is grounds for termination. The burden is on the employee to clock in and out and to confirm its accuracy.

Exempt employees are not required to record hours worked, except for billing purposes. Exempt employees must notify manager of any PTO taken during the month.

Overtime

While it is the Company's policy that employees should not work overtime, when business conditions require, employees may be needed to work overtime. When this occurs, the employee's supervisor will make every effort to provide timely advance notice. Such a request for overtime is considered to be mandatory.

The employee's supervisor must approve all overtime prior to the employee working overtime. All nonexempt employees will be paid one and one-half times their regular rate of pay for all hours worked in excess of 40 in one workweek. Working overtime without prior supervisor approval may result in disciplinary action.

Compliance with FLSA/ Safe Harbor

It is our policy to comply with the requirements of the FLSA. Therefore, we prohibit all company managers from making any improper deductions from the salaries of exempt employees. We want employees to be aware of this policy and that the company does not allow deductions that violate the FLSA. If you believe that an improper deduction has been made from your paycheck, please report it immediately to your supervisor or manager.

Performance, Performance Reviews and Progressive Discipline

Section

7

Attendance

Your work schedule has been developed to provide the coverage necessary for superior customer service. To provide the quality of service our customers have come to expect, we count on you to be ready to start work at your appointed time and to work your entire scheduled shift. In the event of sickness or other emergency, you are required to report your anticipated absence or late arrival to your supervisor as early as possible on the first day of your absence. Always keep your supervisor advised on your planned return-to-work date. Excessive absences may result in temporary or permanent layoff if you are unable to attend work as scheduled and fulfill the requirements of your job.

From time to time, it may be necessary for you to be absent from work. Russell Landscape is aware that emergencies, illnesses, or pressing personal business that cannot be scheduled outside your work hours may arise. If, you are unable to report to work, or if you will arrive late, please contact your manager immediately. Give him or her as much time as possible to arrange for someone else to cover your position until you arrive. If you know in advance that you will need to be absent, you are required to get approval directly from your manager prior to being absent. When you call in for an unexpected absence or late arrival, ask for your manager directly. For late arrivals, please indicate when you expect to arrive for work. Notifying a fellow-employee is not sufficient. If you are unable to call in yourself because of an illness, emergency or for some other reason, be sure to have someone call on your behalf. If your manager is not available when you call, you may leave the information with another manager.

Absence from work for two (2) consecutive days without notifying your manager will be considered a voluntary resignation.

Excessive Absenteeism or Lateness

In general, five (5) absences in a 90-day period, or a consistent pattern of absence, will be considered excessive, and the reasons for the absences may come under question. Tardiness or leaving early is as detrimental to the company as an absence. Three (3) such incidents in a 90-day period will be considered a "tardiness pattern" and will carry the same weight as an absence. Other factors, like the degree of lateness, may be considered.

Be aware that excessive absenteeism, lateness or leaving early may lead to disciplinary action, including possible dismissal. You may leave the premises during your lunch period; however, it is important to return to work on time at the end of your lunch period.

Record Of Absence Or Lateness

If you are absent because of illness for two (2) or more successive days, you are required to submit written documentation from your doctor. If you are absent three (3) or more days because of illness, you may be required to provide written documentation from a doctor that you are able to resume normal work duties before you will be allowed to return to work. You will be responsible for any charges made by your doctor for this documentation.

Section

8

Paid Time Off/ Leaves of Absence

Paid Time Off

All full-time **Crew Members** receive ten hours of PTO 60 days after date of hire. They receive an additional ten hours after one year of consecutive employment. They receive an additional ten hours after three years of consecutive employment. They receive an additional ten hours after three years of consecutive employment, an additional ten hours after ten years of consecutive employment, an additional ten hours after ten years of consecutive employment, an additional 10 hours after 15 years of consecutive employment and an additional 10 hours after 20 years of consecutive employment. Total of 80 hours after 20 years of consecutive employment.

All full-time **Crew Leaders, Technicians** and **Production Managers** receive 20 hours of PTO 60 days after date of hire and receive an additional 30 hours after one year of consecutive employment. They receive an additional 10 hours after five years of consecutive employment. They receive an additional 10 hours after ten years of consecutive employment. They receive an additional 10 hours after 15 years and an additional 10 hours after 20 years of consecutive employment. Total of 90 hours after 20 years of consecutive employment.

Exempt and Nonexempt-full-time **Office Staff** and **Branch Administrators** receive 80 hours of PTO 60 days after date of hire with an additional 20 hours after five-years of consecutive employment. They receive an additional 20 hours after ten years of consecutive employment. They receive an additional 10 hours after 20 years of consecutive employment. Total of 140 hours after 20 years of consecutive employment.

Exempt full-time Account Managers, Associate Account Managers, Department Heads, Branch Managers receive 80 hours of PTO 60 days after date of hire with an additional 20 hours of PTO after five years of consecutive employment. They receive an additional 20 hours after ten years of consecutive employment. They receive an additional 10 hours after 15 years of consecutive employment. They receive an additional 10 hours after 20 years of consecutive employment. Total of 140 hours after 20 years of consecutive employment.

All VP's and C level employees receive PTO at their own discretion.

All Employees must obtain permission from their supervisor before they may use PTO. All employees must request to use their PTO in writing and submit the written request to their supervisor at least two (2) weeks prior to the first day of PTO requested. Using PTO between April 15 and June 15 or October 1 through November 15 is discouraged.

Employees may carry over up to 40 hours of unused PTO to the following year however, it must be used by March 31st. All unused PTO after March 31st will be forfeited.

In the event of termination, for whatever reason, accrued but unused PTO will not be paid to the employee.

Eligibility

Any full-time eligible employee with at least one year of service is entitled to 12 weeks of unpaid family leave upon the happening of a qualifying event under the Family and Medical Leave Act.

To be eligible for family and medical leave, an employee must have worked for The Company for at least twelve (12) months, for at least 1,250 hours in the 12 months prior to the first day of leave. The

Unpaid Family & Medical Leave Company has determined that the twelve (12) month period in which employees may take family and medical leave runs concurrent with the anniversary year, i.e. the employee's date of hire.

Qualifying Reasons for Taking Leave

Family and medical leave may be taken by an employee for any of the following reasons:

- 1. The birth of a son or daughter of the employee;
- 2. The placement of a son or daughter with the employee for adoption or foster care;
- 3. To provide care for the employee's son, daughter, spouse, or parent who has a serious health condition; and,
- 4. Due to a serious health condition of the employee that prevents the employee from working.

Medical Leave

Russell Landscape may request certification from the heath care provider of the person requiring care, whether it be the employee or the employee's spouse, child or parent. Russell Landscape may request certification of the following:

- 1. That the employee or the family member has a serious health condition;
- 2. The date on which the serious health condition commenced;
- 3. The probable duration of the condition;
- 4. A statement that the eligible employee is needed to care for the spouse, child, or parent, and an estimate of the amount of time the employee is needed to care for the spouse, child or parent; or
- 5. A statement that the employee is unable to perform the functions of his position.

Amount of Leave

Each time an employee takes leave, the remaining leave entitlement equals the balance of the twelve weeks which has not been used during the immediately preceding twelve months. Thus, if an employee used his or her full allotment of twelve weeks of leave starting on February 1st, he or she would be entitled to no additional days of leave until February 1st of the following year.

Notification

To be eligible for leave, employees must comply with company notice and certification requirements. Specifically, employees must make a written request for leave and provide their direct supervisor with a copy of the same. Failure to do so may result in the absence being treated as unauthorized. When a leave is foreseeable, the employee must provide thirty (30) days written notice to the employer. When this is not possible, employees are expected to adhere to the company's normal call-in policy for absences.

Leave to Care for Military

On January 28, 2008, President Bush signed into law the Support for Injured Servicemembers Act, which grants additional leave under the FMLA to employees who have family members in the military, as follows:

1. Active Duty Family Leave: Employees with a spouse, parent, or child who is on or has been called to active duty in the Armed Forces may take up to twelve (12) weeks of FMLA leave

when they experience a "qualifying exigency". There is no twelve (12) month time limit on active duty family leave.

2. Injured Servicemember Leave: Employees who are the spouse, parent, child or next of kin of a servicemember who incurred a serious injury or illness on active duty in the Armed Forces may take up to twenty-six (26) weeks of leave in a twelve (12) month period, including regular leave under the FMLA. Employees may take injured servicemember leave intermittently, but must use it up within twelve (12) months.

Jury Duty

Company management recognizes the need for responsible United States citizens to serve on jury duty or as a witness when called upon to do so. Any regular full-time employee who is summoned and reports for jury duty or an administrative or court hearing on a day he/she is otherwise scheduled to work shall be entitled to paid leave. An employee who is summoned by the court but does not serve as a juror must promptly report for work after being excused.

Military Leave

An employee who is a member of the United States Army, Navy, Air Force, Marines, Coast Guard, National Guard, Reserves or Public Health Service will be granted an unpaid leave of absence for military service, training or related obligations in accordance with applicable federal and state laws.

Upon receipt of orders for active or reserve duty, you should immediately notify your supervisor and submit a copy of your orders to Human Resources.

Although military leave is unpaid, you can continue benefits for yourself and your eligible dependents while you are out by contributing at the employee rate if your military leave lasts 16 weeks or less. After 16 weeks of military leave, you may continue your benefits coverage through COBRA, by paying the full cost of the benefits plus a 2% Administrative charge.

Bereavement Leave

Russell Landscape permits its employees to take up to three (3) days unpaid leave for a death in the employee's immediate family. Immediate family is defined by the company as: grandparents, parents, children, siblings, grandchildren, step-parents, and step-siblings. The CEO or President has the discretion to offer leave for the death of individuals other than immediate family, as defined herein, on a case-by-case determination.

Company Holidays

All Crew Leaders, Crew Members and Production Managers will be paid 10 hours at regular straight time for each of the following holidays:

- New Year's Day
- Thanksgiving Day
- Christmas Day

All Salary employees and Full-time Office Staff receive the following paid holidays:

- New Year's Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day and the day after Thanksgiving
- Christmas Eve and Christmas Day**
 - **If the holiday falls on Saturday, the preceding Friday shall be considered the Company holiday. If the holiday falls on Sunday, the following Monday shall be the Company holiday.

Section

9

PERFORMANCE REVIEWS AND MERIT INCREASES

Individual job performance is typically reviewed after ninety (90) days of employment and at your one-year anniversary of employment and annually thereafter. (The first ninety (90) days of employment are considered to be a probationary period). Performance reviews are prepared by the immediate supervisor and provide information to you about your job performance based on your job description and company policies.

You are encouraged to contribute your own comments and suggestions during the review. Increases and promotions are based on the Company's view of individual performance in such areas as:

- Quality of work
- Productivity
- Initiative
- Teamwork
- Job knowledge/skills
- Safety
- Attendance and punctuality.

Thus, such important matters as salary increases and promotions to jobs of greater responsibility are not left to chance, but are based on a careful and objective evaluation of each employee's performance. All salary increases and promotions are based on the Company's view of individual merit.

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EMPLOYEE PROBLEMS

Handling
Complaints &
Employee
Problems

Problems or misunderstandings arise occasionally in every organization. These may relate to work assignments, advancements, wages or any other work-related issues. No matter what the nature of a particular problem, if it is important to you, then it is important to Russell Landscape, and you should have a full opportunity for discussion and consideration.

The following is our procedure to allow you to bring problems and complaints forward for review and resolution:

- Step A. The first step toward resolving problems is to discuss them with your supervisor. You have the option of proceeding to Step B in the event of harassment or other improper conduct by your supervisor or if you feel more comfortable discussing with the individuals identified in Step B.
- **Step B.** If the problem has not been resolved satisfactorily at Step A, the employee has the right to request a meeting with or to complain to one of the individuals whose name is listed in Appendix "A".

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Manual Modification

The policies in this Manual shall continue in effect until modified as provided in the following paragraphs.

- Any policy which is declared by federal or state government to be illegal shall immediately become null and void. The voiding of any one policy for this reason in no way nullifies any other part of this manual.
- Periodic modifications will be required to adjust to changing conditions and regulations.
 Changes or additions will become effective when the modification is made by management
 and no notice of changes is required to be given to the employee(s) covered. However, every
 effort will be made to notify Employees of policy changes.
- Acknowledgement of Receipt

This Employee Handbook is an important document intended to help you become acquainted with Russell Landscape. This Handbook will serve as a guide; it is not the final word in all cases. Individual circumstances may call for individual attention.

Because the general business atmosphere of Russell Landscape and economic conditions are always changing, the contents of this Handbook may be changed at any time at the discretion of the company. No change in any benefit, policy or rule, will be made without due consideration, of the mutual advantages, disadvantages, benefits and responsibilities, on you as an employee.

Please read the following statements and sign below to indicate your receipt and acknowledgment of the Company's Employee Handbook.

- I have received and read a copy of the Employee Handbook. I understand that the policies, rules and benefits described in it are subject to change at the sole discretion of the company at any time.
- I further understand that my employment is terminable at will, either by the company, or myself regardless of the length of my employment or the granting of benefits of any kind.
- I understand that no contract of employment other than "at will" has been expressed or implied, and that no circumstances arising out of my employment will alter my "at will" employment relationship unless expressed in writing, with the understanding specifically set forth and signed by myself and an officer of the company.
- I am aware that during the course of my employment confidential information will be made available to me, i.e., customer lists, pricing policies and other related information. I understand that this information is critical to the success of Russell Landscape and must not be disseminated or used outside of Company premises. In the event of termination of employment, whether voluntary or involuntary, I hereby agree not to utilize or exploit this information with any other individual or company.
- I understand that, should the content be changed in any way, Russell Landscape may require an additional signature from me to indicate that I am aware of and understand any new policies.
- I understand that my signature below indicates that I have read and understand the above statements. I understand that I have access to the Company Employee Handbook through the employee portal and I may receive a paper copy upon request.

Appendix "A"

- 1. Teddy Russell
- Hugh Cooper
- Hugh Cooper Chief Operating Officer Brandon Thomas Vice-President Operations
- Ken Knight Chief Financial Officer
- 5. Dianne Savage Human Resources Manager