

LANKOTA[®]

Solutions Based - Results Oriented

Lankota Group Employee Handbook

LANKOTA INC

EMPLOYEE HANDBOOK

Introduction & Description of Company

Lankota Group is a privately owned Corporation. Under the Lankota Group, Inc. umbrella, there are several product/market entities. Due to this diversification, Lankota Group, LLC will often be referred to herein as “Lankota Group”.

Mission Statement

A Dedication to Serve our Valued Customers with Exceptional Quality, Prompt Delivery, and Competitive Pricing.

Regardless of the product entity, the importance of quality, efficiency, productivity, and profitability are paramount. These key factors will ensure Lankota Group’s ability to continue to grow and diversify.

Lankota Group is based upon high standards of excellence in every facet of the business. This Employee Handbook explains some of the expectations of Lankota Group employees and outlines the policies, programs, and benefits available to eligible employees. Employees should familiarize themselves with the contents of the employee handbook as soon as possible, for it will answer many questions about employment with Lankota Group. It is important that employees read, understand, and comply with all provisions of the handbook.

This Handbook replaces and supersedes all prior employee handbooks, personnel policies and procedures, written or oral statements or promises concerning your employment.

No employee handbook can anticipate every circumstance or question about Lankota Group’s policy. As Lankota Group continues to grow, the need may arise and Lankota Group reserves the right to revise, supplement, or rescind any policies or portion of the handbook from time to time as it deems appropriate, in its sole and absolute discretion. The only exception to any changes is our employment-at-will policy permitting you or Lankota Group to end our relationship for any reason at any time. This handbook is not an employment contract and is not intended to create contractual obligations of any kind. Neither the employee nor Lankota Group is bound to continue the employment relationship if either chooses, at its will, to end the relationship at any time. Employees will, of course, be notified of such changes to the handbook as they occur. No statement or promise be a manager, supervisor, co-worker or person other than the President and CEO may be relied on if different from the provisions in this Handbook.

Success is not possible without a true effort by everyone. We believe those individuals who work with Lankota Group are capable of achieving success. Lankota Group is committed to being successful.

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General Statement of Personal Guidelines

Lankota Group's reputation, prestige, and standing in the community are primarily determined by the appearance, conduct, and ethical standards of its employees. In all situations, including those where there are no applicable legal principles or the law is unclear or in conflict, employees are expected to exercise good judgment and conduct their business in such a manner that such action can be supported without reservation or apology. As a consequence, we have established high standards of personal conduct, appearance, and ethics for our employees.

Equal Opportunity Policy

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Lankota Group will be based on merit, qualifications, and abilities. Lankota Group provides equal opportunity in all of our employment practices to all qualified employees and applicants without regard to race, color, creed, religion, gender, national origin, age, disability, marital status, sexual orientation, military status, status with regards to public assistance, or any other category or other characteristic protected by federal, state and local laws. This policy applies to all aspects of the employment relationship, including recruitment, hiring, job assignment, compensation, access to benefits, promotion, transfer, disciplinary action, layoff, return from layoff, termination, training and social, and recreational programs. All such employment decisions will be made without unlawfully discriminating on any prohibited basis. Reasonable accommodations will be made for qualified individuals with disabilities to the extent required by law.

Any employee with questions or concerns about any type of discrimination in the workplace is encouraged to bring these issues to the attention of their immediate supervisor. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

Employment at Will

Unless expressly prescribed by statute or contract, your employment is "at will." All Lankota Group employees are at will, which means they may be terminated at any time and for any reason, with or without advance notice. Neither the employee nor Lankota Group is bound to continue the employment relationship if either chooses, at its will, to end the relationship at any time. Any employment relationship, other than at will, must be set out in writing and signed by Lankota Group's President.

Immigration Law Compliance

Under the Immigration Reform and Control Act of 1986, Lankota Group is required to verify the identity and the employment eligibility of each employee hired since November 6, 1986. As a part of the procedure, an Employment Eligibility Verification Form (Form I-9) from the US Department of Justice Immigration and Naturalization must be completed. Lankota Group must keep each completed form on file for at least three years after employment begins, or one year after employment ends, whichever is later. Former employees who are rehired must also

complete the form if they have not completed a Form I-9 within the past three years, or if their previous Form I-9 is no longer retained or valid.

In addition, Lankota Group must examine documents that prove the prospective employee's identity and eligibility for employment. The best way to do this is to keep on file photocopies of the appropriate documents. Acceptable documents include (1) a US passport; (2) a certificate of US citizenship; (3) a certificate of naturalization; (4) an unexpired foreign passport with employment authorization attached; or (5) an alien registration card with photo.

If none of these is available, then two documents are required. One must be state ID or driver's license (with picture), a US Military ID, or another form of ID card. The second document must be an original Social Security Card, a birth certificate (with seal or other certification), or an unexpired INS employment authorization card.

General Employment

Recruitment Procedure

1. It is understood that all applications for employment submitted to Lankota Group will be evaluated by the Human Resource Manager of Lankota Group.
2. An applicant is defined as anyone who has completed an application for an active job or a specific, expected job opening.
3. The appropriate Manager will interview qualified applicants by appointment.
4. Only the top candidates will be granted an interview.
5. Decisions for employment will be based on qualifications and the interview.
6. Employment applications that are received from job applicants will be considered "active" for a period of two months from the date of application.
7. Once a job applicant is hired, the employment application will be placed in his/her personnel folder and will be retained as part of Lankota Group's permanent personnel record system.

Any misrepresentations, falsifications, or material omission of any information or data on the application may exclude the individual from further consideration for employment or termination of employment, if the person has been hired.

Hiring

Lankota Group's successful growth is due to its ability to attract, develop, and retain qualified employees. Management will make every effort to follow appropriate, legal hiring and termination practices. Lankota Group will attempt to fill vacancies within various departments of

Lankota Group to ensure productivity. Lankota Group functions most efficiently when our employees work together as a team. Teamwork can help boost employee morale and productivity. The best interest of Lankota Group is important when considering job training. It is Lankota Group's policy to aid, encourage and train employees so they may fully utilize any talents they possess. In order to ensure fairness and to identify current employees who are interested in and qualified for various positions, Lankota Group encourages all employees to continue professional growth.

It is Lankota Group's policy to list any job openings as they become available in sources easily accessible to all employees and to encourage submittal of applications. Management may choose not to post certain openings. Recruitment of applicants for job vacancies shall be under the direction of the Human Resource Manager of Lankota Group. Selection for job openings will be based on individual merit and qualifications without regard to sex, race, color, religion, national origin, age or disability.

Procedure

1. Senior Management will identify any needs for additional positions within Lankota Group.
2. Existing employees who are trained and qualified will be given first chance at filling positions that are considered promotional opportunities.
3. The Human Resource Manager of Lankota Group will usually first consider employees currently employed within the department where the vacancy exists, and if there is no one who is qualified for the job, then the position will be posted.
4. Any eligible and qualified employee will have the opportunity to be considered for the available position.
5. Selection of applicants will be made on the basis of the requirements of the job, the overall qualifications of the applicants, and the best fit for optimum functioning of Lankota Group.
6. If Lankota Group determines that qualified candidates are not available internally, recruitment will be handled through external sources

Job Descriptions

The first step in determining the salary for a position is a job description. This description should define the overall job function, the qualifications needed for that job, and the principal areas of responsibility. The position is evaluated based on a set of factors found in every job. The factors include skills and knowledge, accountability, mental effort, interpersonal and coordinating skills, and working conditions. This process establishes the relative worth of each job compared to all other jobs within Lankota Group. Senior Management will determine the job descriptions.

Employee Classifications

Employees at Lankota Group are either full-time or part-time. Lankota Group may on occasion hire temporary or seasonal employees, who will not generally be eligible for benefits.

Part-time employees work fewer than 40 hours per week (or less than 2080 hours per year). Unless specifically stated, part-time employees are not afforded any benefits other than wages; for example, they do not accrue benefits such as sick days, vacation days, and health insurance.

All other employees will work 40 hours per week.

Your supervisor will verify whether you are a full-time or part-time employee, and also whether you are exempt or non-exempt. Exempt employees are not entitled to overtime under the Fair Labor Standards Act, while non-exempt employees can qualify for this pay. Overtime pay is based on actual hours worked. Time off on any leave of absence will not be considered hours worked for purposes of performing overtime calculations. Working overtime without prior authorization from your direct supervisor or failing to report overtime that you have worked may result in disciplinary action, up to and including the possible termination of employment.

Employee Personnel Files

An employee's personnel file consists of the employee's job application, resume, records of training, withholding forms, reference checks, emergency information and any performance appraisals, benefits data or other employment-related documents.

It is the employee's responsibility to notify the Human Resources of any changes in name, address, telephone number, marital status, number of dependents, military service status, beneficiaries or person to notify in case of an accident.

Misrepresentation of any fact which you have provided information for on your application, in your personnel file, or any other document is sufficient reason for dismissal. Personnel records are considered company property and are not available for review by employees.

Employment of Relatives

Lankota Group will not hire relatives of employees. For the purposes of this policy, a relative is any person who is related by blood, or whose relationship with the employee is similar to that of person who is related by blood.

Employees who marry or become related will be permitted to continue to work as long as there are no substantial conflicts. Reasonable accommodations will be made when possible in the event a conflict arises.

Employee Referral Program

In an effort to hire highly qualified, productive employees, Lankota Group encourages employees to refer a person to apply to the Lankota Group organization. Lankota Group is an excellent organization with which to be associated.

Introductory (Probationary) Period

The first ninety (90) days after the date of hire are an Introductory Period for both the employee and Lankota Group. Any significant absence will automatically extend an introductory period by the length of the absence.

The introductory period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Lankota Group uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or Lankota Group may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice. Throughout the introductory period, the employee's manager will monitor work performance, attitude and attendance during this time, and be available to answer any questions or concerns the employee may have about his/her new job.

Benefits such as time off for vacation, personal days, sick days or bereavement leave do not accrue during this period. However, benefits that are required by law, such as workers' compensation insurance and Social Security, are available to employees during the introductory period. The Introductory Period may be extended at management's sole discretion.

Reference/Background Checks

Lankota Group conducts reference and background checks on all new employees. Employees who have falsified information on their employment applications will be disciplined, which could include termination. Applicants who have provided false information may be eliminated from further consideration for employment.

Conduct and Standards

Code of Ethics

Lankota Group's reputation for integrity is perhaps its most valuable asset and is determined by the conduct of its employees. Each of us must strive to avoid situations that might cause a conflict of interest between Lankota Group, its customers, clients and ourselves.

Conflict of Interest

Employees must avoid any interest, influence or relationship which might conflict or appear to conflict with the best interests of Lankota Group. You must avoid any situation in which your loyalty may be divided and promptly disclose any situation where an actual or potential conflict may exist. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of Lankota Group's business dealings. Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which Lankota Group does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or

special consideration as a result of any transaction or business dealings involving Lankota Group.

Examples of potential conflict situations include:

1. Having a financial interest in any business transaction with Lankota Group;
2. Owning or having a significant financial interest in, or other relationship with, a Lankota Group competitor, customer or supplier, and;
3. Accepting gifts, entertainment or other benefit of more than a nominal value from a Lankota Group competitor, customer or supplier.

No “presumption of guilt” is created by the mere existence of a relationship with outside firms. However, anyone with a conflict of interest must disclose it to management and remove themselves from negotiations, deliberations or votes involving the conflict as soon as possible. You may, however, state your position and answer questions when your knowledge may be of assistance to Lankota Group.

Outside Employment

Employees may hold outside jobs as long as they meet the performance standards of their job with Lankota Group. However, outside employment that constitutes a conflict of interest is prohibited. Because of Lankota Group's obligations to its customers, Lankota Group must be aware of any concurrent employment you may have to determine whether or not it presents a potential conflict. At all times, the interests of Lankota Group shall take priority over those of any outside employer.

Serving on any public or government board or commission qualifies as employment for purposes of this policy, regardless of whether such service is compensated.

Before beginning or continuing outside employment, employees are required to complete a questionnaire detailing the involvement with the other employer and to obtain the written approval of their managers and President of Lankota Group. Failing to obtain prior approval in accordance with this policy may be cause for disciplinary action, up to and including termination. Employees who are on leave of absence, including FMLA leave or Workers' Compensation leave are prohibited from having outside employment during their leave.

Confidentiality/Nondisclosure

In the course of employment with Lankota Group, employees will have access to the Lankota Group's confidential information. Through their work, employees may also develop new ideas and intellectual property that is the property of Lankota Group.

The following kinds of information are confidential and belong solely to Lankota Group and not to the employees or anyone else, examples include but are not limited to:

- Customer lists or information
- Pricing information
- Trade secrets
- Intellectual information
- Marketing strategies
- Pending projects and proposals
- Compensation data
- Computerized information
- Other information treated as confidential by Lankota Group or our clients
- Customer preferences
- Financial information
- Work product

The law imposes a duty on its employees to keep these types of information confidential, and to use such information only to benefit Lankota Group and its clients. This obligation continues during and indefinitely after termination of an employee's employment with Lankota Group. The legal consequences for disclosing or misusing confidential Lankota Group information are severe.

Employees should not discuss Lankota Group's business or Lankota Group's client's business with anyone who does not work for Lankota Group or its clients or who is not involved with a transaction that requires that person's need-to-know specific information in connection with that transaction.

Employees cannot copy, distribute or use documents, written materials or computerized information except as authorized for Lankota Group's benefit. Similarly, while employed by Lankota Group, employees are prohibited from using or disclosing any trade secrets they learned of or became aware of in former jobs. Employees should notify the Direct Supervisor immediately if they anticipate a potential problem so Lankota Group can take appropriate precautions.

Nearly all of our clients require the signing of Confidentiality Agreements. By signing, Lankota Group and our employees agree not to divulge any information about the company with which they are working during employee's employment with Lankota Group or after employee's employment has ended. You are expected to follow all copyright laws and license agreements, and may not copy, transfer, rename, add or delete information or programs belonging to other users unless given express permission to do so by the owner.

Upon termination of employment with Lankota Group, employees must immediately return all copies of Lankota Group's and Lankota Group's clients' documents, written material, computerized information or other tangible things that contain confidential information.

Employees are responsible for items issued to them by Lankota Group or in their possession or control, whether it is credit cards, equipment, keys, manuals, security passes, software, vehicles, written materials, literature or templates, or any other property of Lankota Group. Employees must return all Lankota Group property immediately upon request or upon termination of employment.

If an employee has any questions about whether this policy applies to a specific situation, he or she should contact the direct supervisor. Employees are responsible for resolving potential confidentiality issues and getting their questions answered in advance. If an employee has any doubt about the confidentiality, trade secret or other status of any material, the employee should assume that it is protected and that its use or disclosure is restricted.

Conduct Standards and Discipline

Lankota Group expects every employee to adhere to the highest standards of job performance and of personal conduct, including individual involvement with company personnel and outside business contacts.

Lankota Group reserves the right to discipline or discharge any employee for violating any company policy, practice or rule of conduct. The following list is intended to give you notice of our expectations and standards. However, it does not include every type of unacceptable behavior that can or will result in disciplinary action. Be aware that Lankota Group retains the discretion to determine the nature and extent of any discipline based upon the circumstances of each individual case.

This is not a comprehensive; rather, it is meant merely as an example of the types of conduct that this company does not tolerate. These actions include, but are not limited to:

Employees may be disciplined or terminated for poor job performance, including, but not limited to the following:

- unsatisfactory quality or quantity of work
- repeated unexcused absences or lateness
- failing to follow instructions or Lankota Group procedures, or
- failing to follow established safety regulations.

Employees may also be disciplined or terminated for misconduct, including, but not limited to the following:

- violation of any policy or procedure set forth in this Employee Handbook or the violation of personnel policies
- theft or inappropriate removal or possession of another's property
- falsifying an employment application or any other company records or documents

- failing to record working time accurately or recording a co-worker's timesheet
- insubordination or other refusal to perform
- using vulgar, profane, or obscene language including any communication or action that violates our policy against harassment and other unlawful forms of discrimination
- disorderly conduct, fighting, or other acts of violence
- misusing, destroying, or stealing company property or another person's property
- possessing firearms, explosives, or other dangerous or unauthorized materials on company property or while working off company property
- possessing, distributing, selling, using, or reporting to work with alcohol, controlled substances, or illegal drugs present in the employee's system, on company property, while operating employer-owned vehicles or equipment, or on company time
- violating conflict of interest rules
- excessive absenteeism or any absence without notice
- unauthorized absence from work station during the workday
- negligence or improper conduct leading to damage of employer-owned or customer-owned property
- violation of safety or health rules
- disclosing or using confidential or proprietary information without authorization
- violating the Lankota Group's computer or software use policies or the unauthorized use of telephones, mail system, or other employer-owned equipment, and
- being convicted of a crime that indicates unfitness for a job or presents a threat to Lankota Group or its employees in any way

Appearance

Each employee shall dress in a manner that encourages respect for the dignity of the individual, complies with appropriate health and safety regulations and enhances the professional environment within Lankota Group. Steel toed shoes are required in the warehouse/shop areas. Office Employees who regularly walk through the shop are required to wear close toed shoes.

Company Equipment and Vehicles

When using Lankota Group property, including computer equipment or hardware, exercise care, perform required maintenance and follow all operating instructions, safety standards and guidelines.

Notify your supervisor if any equipment, tools, vehicles, or machines appear to be damaged, defective or in need of repair. This prompt reporting could prevent the equipment's deterioration and could also help prevent injury to you or others. Should you have questions about the maintenance and care of any workplace equipment, ask your supervisor.

If you use or operate equipment improperly, carelessly, negligently or unsafely, you may be disciplined or even discharged. In addition, you may be held financially responsible for any loss to Lankota Group because of such mistreatment. Employees driving company vehicles or driving their own vehicles for work purposes will be required to notify Lankota Group of any moving violations they may receive (whether received during working or nonworking hours). Lankota Group will not pay the costs of any parking tickets or traffic violations that employees may incur, regardless of whether they occur while work is being performed.

Mileage

Employees using their personal vehicles for Lankota Group business should submit an expense report for reimbursement of mileage. Lankota Group will pay a reimbursement rate per mile towards business-related usage, provided a proper expense report is submitted.

Insurance

Employees using personal vehicles for Lankota Group business must have current proof of automobile insurance coverage.

Company Property

Please keep your work area neat and clean and use normal care in handling company property. Report any broken or damaged equipment to your manager at once so that proper repairs can be made.

You may not use any company property for personal purposes or remove any company property from the premises without prior written permission from the President or Vice President.

Ethical and Legal Business Practices

Lankota Group expects the highest standard of ethical conduct and fair dealing from each employee, officer, director, volunteer and all others associated with Lankota Group. Our reputation is a valuable asset, and we must continually earn the trust, confidence and respect of our suppliers, our members, our customers and our community.

This policy provides general guidance on the ethical principles that we all must follow, but no guideline can anticipate all situations. You should also be guided by basic honesty and good judgment, and be sensitive to others' perceptions and interpretations.

If you have any questions about this policy, consult your supervisor or manager. Exceptions to this policy may be made only by the company president.

You are expected to promptly disclose to the management of the company anything that may violate this policy. We will not tolerate retaliation or retribution against anyone who brings violations to management's attention.

Complying With Laws and Regulations

All our activities are to be conducted in compliance with the letter and spirit of all laws and regulations. You are charged with the responsibility of understanding the applicable laws, recognizing potential dangers and knowing when to seek legal advice.

Harassment, Violence, and Substance Abuse

Zero Tolerance for Workplace Violence

Lankota Group has a zero-tolerance policy concerning threats, intimidation and violence of any kind in the workplace either committed by or directed to our employees. Employees who engage in such conduct will be disciplined up to and including immediate termination of employment.

Employees are not permitted to bring weapons of any kind onto company premises or to company functions. Any employee who is suspected of possessing a weapon will be subject to a search at the company's discretion. Such searches may include, but not be limited to, the employee's personal effects, desk and workspace.

If an employee feels he or she has been subjected to threats or threatening conduct by a coworker, vendor or customer, the employee should notify his or her supervisor or another member of management immediately. Employees will not be penalized for reporting such concerns.

Policy Prohibiting Harassment and Discrimination

Lankota Group strives to maintain an environment free from discrimination and harassment, where employees treat each other with respect, dignity and courtesy. Lankota Group prohibits discrimination and harassment on the basis of race, creed, religion, color, national origin, sex, marital status, status with regard to public assistance, membership or activity in a local human rights commission, disability, sexual orientation, age or any other protected characteristic.

This policy applies to all phases of employment, including but not limited to recruiting, testing, hiring, promoting, demoting, transferring, laying off, terminating, paying, granting benefits and training.

Prohibited Behavior

Lankota Group does not and will not tolerate any type of harassment of our employees, applicants for employment, or our customers. Discriminatory conduct or conduct characterized as harassment as defined below is prohibited. It includes, but is not limited to:

- Visual conduct such as derogatory posters, photographs, cartoons, drawings, paintings, calendars, promotional materials, reading materials, graffiti, gestures or any material or conduct that is sexually suggestive and / or sexually demeaning or pornographic;
- Physical conduct such as assault, blocking of normal movement, interfering with work, kissing, hugging, touching, pinching, patting, grabbing, poking or brushing up against another employee's body; as well as visible acts as the aforementioned;
- Verbal conduct such as epithets, derogatory comments, slurs, sexual advances, propositions or other sexual comments, sexually oriented jokes, remarks, gestures, noises, comments about a person's sexuality or sexual experience, vulgarity or indecent exposure;
- Retaliation for having rejected, complained about, reported or threatened to report harassment.

What is Harassment?

Harassment is unwelcome conduct which creates an intimidating, offensive or hostile working environment, or unreasonably interferes with an individual's work performance or opportunities or otherwise affects the terms and conditions of employment. Such conduct also constitutes harassment if submission to the conduct is made a condition of employment or submission to or rejection of the conduct is used as the basis for an employment decision. Harassment can take many forms and is not necessarily always sexual in nature. It may include, but is not limited to words, signs, jokes, pranks, intimidation, physical contact or violence, and other verbal or physical conduct relating to a person's gender, ethnicity, race, color, creed, religion, sexual orientation, national origin, age, disability, marital status, military status or any other protected classification that unreasonably interferes with a person's work performance or creates an intimidating, hostile work environment.

Harassment by Nonemployees

Lankota Group will also endeavor to protect employees, to the extent possible, from reported harassment by nonemployees in the workplace, including customers, clients and suppliers.

Definition of Sexual Harassment

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, sexually motivated physical conduct and other verbal or physical conduct of sexual nature when:

1. Submission to the conduct is made either explicitly or implicitly a term or condition of an individual's employment; or
2. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting that individual; or
3. The conduct has the purpose or effect of unreasonably interfering with an individual's work performance; or
4. The conduct has the purpose or effect of creating an intimidating, hostile or offensive working environment.

Complaint Procedure and Investigation

Any employee who wishes to report a possible incident of sexual harassment or other unlawful harassment or discrimination should promptly report the matter to their direct supervisor. If that person is not available, or you believe it would be inappropriate to contact that person, contact Human Resources or the President of Lankota Group.

Lankota Group will conduct a prompt investigation as confidentially as possible under the circumstances. Employees who raise concerns and make reports in good faith can do so without fear of reprisal; at the same time employees have an obligation to cooperate with Lankota Group in enforcing this policy and investigating and remedying complaints. An employee who refuses to participate in the investigation, provides untruthful statements to the investigator, or otherwise obstructs the investigation process is subject to discipline. Lankota Group will not take or tolerate any retaliation against an employee for making any complaints under this policy or participating in any investigation.

Employees who violate this policy may be disciplined or terminated, even for a first offense. Employees may also be subject to personal legal liability for violation of this policy.

Drug and Alcohol Policy

Lankota Group strives to maintain a workplace free of drugs and alcohol and to discourage drug and alcohol abuse by its employees. Misuse of alcohol or drugs by employees can impair the ability of employees to perform their duties, as well as adversely affect our customers' and customers' confidence in our company.

Alcohol

Employees are prohibited from using or being under the influence of alcohol while performing company business for Lankota Group, while operating a motor vehicle in the course of business or for any job-related purpose, or while on company premises or a worksite.

Illegal Drugs

Lankota Group employees are prohibited from using or being under the influence of illegal drugs while performing company business or while on a company facility or worksite. You may not use, manufacture, distribute, purchase, transfer or possess an illegal drug while in Lankota Group facilities, while operating a motor vehicle for any job-related purpose or while on the job, or while performing company business. This policy does not prohibit the proper use of medication under the direction of a physician; however, misuse of such medications is prohibited.

Searches

Lankota Group may conduct searches for illegal drugs or alcohol on company facilities or worksites without prior notice to employees. Such searches may be conducted at any time. Employees are expected to cooperate fully.

Searches of employees and their personal property may be conducted when there is reasonable suspicion to believe that the employee has violated this policy or when circumstances or workplace conditions justify such a search. Personal property may include, but is not limited to, purses, boxes, briefcases, as well as any Lankota Group property that is provided for employees' personal use, such as desks, lockers, and files.

An employee's consent to a search is required as a condition of employment and the employee's refusal to consent may result in disciplinary action, including termination.

Disciplinary Action

Employees who violate this policy may be disciplined or terminated, even for a first offense. Violations include refusal to consent to and comply with testing and search procedures as described on page 13.

Communications and Technology

Software Policy

Lankota Group regulates employees' use of its computer software.

You may not duplicate any licensed software or related documentation for use, either on Lankota Group premises or elsewhere, unless expressly authorized to do so by written agreement with the licensor. And you may not provide licensed software to anyone outside Lankota Group. Employees should be aware that the illegal duplication of software may result in the filing of criminal copyright charges by the owners of the copyrights.

Downloading any software from the internet or other source that does not have a license (ex: music, games, etc.) is also prohibited.

All software that Lankota Group acquires must be purchased by Lankota Group. Upon delivery, all software must be registered properly by and installed by Lankota Group Technology Department. You may not load personal software on Lankota Group computers.

Internet/Email

All hardware/software used in the internet/email system are property of Lankota Group and is to be used only for business purposes. Personal use of the Lankota Group's internet/email system is prohibited, unless specifically authorized by management. There is no expectation of privacy regarding internet/email communications sent or received using Lankota Group's internet/email system.

All content and messages are the property of Lankota Group and will be saved in the system. Lankota Group may conduct monitoring of internet content and email messages and review all files. Lankota Group reserves the right to monitor hardware and software files to ensure that usage of the internet/email systems are for business purposes only. Employees using the internet and email system must conduct themselves in accordance with all workplace rules and refrain from using profane, harassing, defamatory or threatening language in internet/email communications.

E-mail and voice mail messages reflect Lankota Group's image. They should be composed in a professional manner that is similar to messages sent on Lankota Group letterhead. Employees should keep in mind that electronic files are subject to discovery and may subsequently be used in litigation involving Lankota Group or the employee. Therefore, it is expected that employee statements in electronic messages and files will reflect favorably on Lankota Group and on the employee.

In addition to the system hardware and software, all electronic files and electronic messages are the property of Lankota Group whether composed, received or sent by the employee. E-mail messages and other electronic files constitute business records belonging to Lankota Group.

Because all messages are the property of Lankota Group, passwords must be disclosed to management upon request. Employees may not use personal hardware or software to encrypt any e-mail, voice mail, or other information contained in or transmitted by Lankota Group systems absent prior written consent from Lankota Group.

Any files downloaded from the Internet and any computer discs received from outside sources must be scanned with virus detection software before installation and execution. The introduction of viruses, attempts to breach system security or other malicious tampering with any of Lankota Group's systems, is expressly prohibited. Employees must immediately report any viruses, tampering, or other system breaches to management.

In addition to the above, employees may not use Lankota Group's systems to:

1. Upload, download, or otherwise transmit copyrighted, trademarked or patented material; trade secrets; or other confidential, private or proprietary information on materials without prior authorization.

2. Upload, download, or otherwise transmit any illegal information or materials.
3. Upload, download, access, create, distribute, or otherwise transmit sexually explicit materials.
4. Gain unauthorized access to remote computers or other systems or to damage, alter, or disrupt such computers or systems in any way, nor may employees-without prior authorization-use someone else's code or password or disclose anyone else's code or password, including their own.
5. Enable unauthorized third party to have access to or use Lankota Group's systems, or otherwise jeopardize the security of those systems.
6. Send anonymous e-mail or facsimile messages.
7. Engage in illegal activities.
8. Lankota Group's policies prohibiting sexual or other harassment are equally applicable to e-mail and communication systems. Messages that contain foul, inappropriate, or offensive language, or those containing racial or ethnic slurs, or sexual innuendo, are prohibited. Any knowledge of the same should immediately be reported in accordance with the Anti-Discrimination and Sexual Harassment policy set forth herein.

Violation of this policy will result in disciplinary action up to and including termination. Lankota Group reserves the right to hold the employee personally liable for any violations of this policy. Employees who observe violations of these electronic communication policies shall notify their immediate supervisor or shall report the violation to the President.

Social Media

This policy provides guidance for employee use of social media, which should be broadly understood for purposes of this policy to include blogs, wikis, microblogs, message boards, chat rooms, electronic newsletters, online forums, social networking sites, and other sites and services that permit users to share information with others in a contemporaneous manner.

The following principles apply to professional use of social media on behalf of Lakota, Inc. as well as personal use of social media when referencing Lankota Group.

1. Employees need to know and adhere to the Lankota Group's Code of Conduct when using social media in reference to Lankota Group.
2. Employees should be aware of the effect their actions may have on their reputation, as well as Lankota Group's reputation. The information that employees post or publish may be public information for a long time.
3. Employees should be aware that Lankota Group may observe content and information made available by employees through social media. Employees should use their best

judgment in posting material that is neither inappropriate nor harmful to Lankota Group, its employees, or customers.

4. Although not an exclusive list, some specific examples of prohibited social media conduct include posting commentary, content, or images that are defamatory, pornographic, proprietary, harassing, libelous, or that can create a hostile work environment.
5. Employees are not to publish, post, or release any information that is considered confidential or not public. If there are questions about what is considered confidential, employees should check with the Human Resources Department and/or supervisor.
6. Social media networks, blogs and other types of online content sometimes generate press and media attention or legal questions. Employees should refer these inquiries to authorized Lankota Group's spokespersons.
7. If employees encounter a situation while using social media that threatens to become antagonistic, employees should disengage from the dialogue in a polite manner and seek the advice of a supervisor.
8. Employees should get appropriate permission before you refer to or post images of current or former employees, members, vendors or suppliers. Additionally, employees should get appropriate permission to use a third party's copyrights, copyrighted material, trademarks, service marks or other intellectual property.

Use of Company Communication Systems

Because Lankota Group reserves the right to access any personal communication without prior notice, employees should not use company systems to transmit any messages or to access any information that they would not want a third party to hear or see. Although incidental and occasional personal use of the company's systems is permitted, any such personal use will be treated the same as all other communications under this policy.

Telephone Usage

The telephone system (including voicemail) at Lankota Group is the property of the company and is provided for business purposes. Lankota Group may periodically monitor the usage of the telephone systems to ensure compliance with this policy. Therefore, employees should not consider their conversations on the company's telephone system to be private.

Cell Phones and the Work Place

In the age of technology and staying connected to friends and family, cell phones and other types of devices seem to have become an essential part of our everyday attire, much like the wrist watch. However, what the manufacturing industry is finding is a significant decrease in productivity and lost time due to employees staying connected. This can mean a quick text message to a friend to an extended visit with a friend. The distraction caused by answering the

cell phone, holding the cell phone, or sending a text message also can be an issue as far as safety is concerned.

Lankota Group is thus implementing the following policy in regards to these devices.

Cell phones are not to be used during work for personal business. If you carry a cell phone, please check your voice mail at break time only. If someone needs to get in touch with you for an emergency, they may call the Lankota office and you will be paged immediately.

Do not provide you cell phone number as a contact for Lankota Group. Do not use your cell phone for Lankota business unless this has been clarified with your supervisor, such as in the case of being out of the facility for training or at another Lankota location. In cases where a cell phone is a necessary part of the job responsibilities, such as sales, a Lankota cell phone will be issued.

Individuals violating this policy will be subject to the following disciplinary process:

1. Verbal Warning
2. Written Warning
3. Suspension of 1 week without pay
4. Termination

These steps of termination can happen in any order depending upon the situation.

Personal Mail

All mail delivered to the company is presumed to be related to company business. Mail sent to you at the company will be opened by the office and routed to your department. If you do not wish to have your correspondence handled in this manner, please have it delivered to your home. The use of Lankota Group-paid postage for personal correspondences is not permitted.

Drug Testing

See attached Drug Testing Policy. (See attached, appendix B)

Grievances

Employees are encouraged to bring concerns, problems and grievances to management's attention. You are also obligated to report any wrongdoing of which you become aware to your manager or, if the situation warrants, to any Lankota Group manager.

Compensation and Work Schedule

General Pay Information

Certain deductions will be made in accordance with federal and state laws.

In addition, Lankota Group makes available certain voluntary deductions as part of the Lankota Group's benefits program. If an employee elects supplemental coverage under one of the Lankota Group's benefits plans, which requires employee contributions, the employee's share of the cost will be deducted from his or her check each pay period. If the employee is not receiving a payroll check due to illness, injury, or leave of absence, he or she will be required to pay the monthly cost directly to Lankota Group or pay in full upon return.

Time Records

All non-exempt employees must keep accurate time records by completing timesheets or punching a time clock when entering or leaving the building, including coming and going during lunch periods. Tampering with, falsifying or altering time cards or punching another employee's time card will result in disciplinary action, up to and including termination. Failing to record work time may also result in disciplinary action.

Work Hours

Lankota Group follows a work schedule of forty (40) hours per week. The normal workweek is Monday through Friday from 8:00 am to 5:00 pm or 4:30 pm depending upon your lunch hour; this will be laid out in your job description. Your supervisor or manager may establish alternative hours. Fabrication hours are four, ten (10) hour shifts Monday through Thursday. All these hours are subject to change during Lankota Group's busy season.

Attendance and Punctuality

Every employee is expected to attend work regularly and report to work on time.

If you are unable to report to work on time for any reason, telephone your supervisor as far in advance as possible. If you do not call in an absence in advance, it will be considered unexcused. After three days of absences, a doctor's note may be required.

Unsatisfactory attendance, including reporting late or quitting early, may be cause for disciplinary action, up to and including discharge.

Breaks

Employees are entitled to a 15 minute break for rest twice each day.

Employees are also entitled to a 30/60 minute unpaid break for meals during each work period. The lunch period will be determined with your job description.

Breaks may be scheduled at staggered times to allow department coverage.

Overtime

Because of the nature of work, employees may be asked to work overtime on weekends or holidays or additional hours during the regular workday and are expected to comply with such requests.

Overtime compensation is paid to all nonexempt employees at one and one-half times their straight time rate for all hours worked in excess of 40 hours per week.

If you are nonexempt, you must receive authorization from your manager before working overtime. And after you have worked overtime, you must enter it on a timesheet by the day after it is accrued.

Overtime pay is based on actual hours worked. Time taken for lunch or dinner is not included as time worked for purposes of computing overtime. And time off on holidays, sick leave, vacation leave, personal leave, training seminars or any leave of absence will not be factored in as hours worked when calculating overtime.

Pay Schedule

Employees will be paid bi-weekly on Wednesday. If the regular payday falls on a holiday, payday will be the last regular workday before the holiday.

The pay period starts on Sunday and includes all work you perform for two weeks up to the close of business on Saturday.

Performance Evaluations

Supervisors and employees are strongly encouraged to discuss job performance and goals informally any time.

Additional formal performance reviews will be conducted to provide both supervisors and employees with the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals. These formal reviews will be conducted at the end of your 90 day probationary period and yearly.

Performance Reviews and Salary Increases

Wage reviews are conducted at the end of probationary period and yearly for each employee, and salary increases are based on those reviews, as well as our profitability. However, an employee receiving a performance appraisal will not necessarily receive a salary increase.

Rehiring Former Employees

Former employees who have left the company under favorable circumstances may be eligible for rehire. Former employees who are rehired within six months of their layoff or termination date will immediately be eligible for benefits they possessed at the end of their employment. If the

employee did not possess any benefits at the time of their discharge then they will be treated as a new employee concerning their hire date and benefits.

Employee Leaves of Absence

Family and Medical Leave

Under the Leave Policy a total of up to 12 weeks of unpaid leave of absence is available to eligible employees under the following circumstances:

- to attend to the birth, adoption or foster care placement of your child, or following the birth or adoption of a child; such birth, adoption or placement must be within the first twelve months of the birth, adoption or placement;
- to attend to the serious health condition of the employee's child, spouse or parent;
- a serious health condition of the requesting employee, which renders the employee unable to perform the functions of the employee's position; or
- permits a "spouse, son, daughter, parent, or next of kin" to take up to 26 workweeks of leave to care for a "member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation, or therapy, is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness.

For purposes of this policy, serious health conditions or disabilities include:

- treatment requiring inpatient care in a hospital, hospice or residential care facility; or
- continuing treatment by a health care provider for a condition that lasts more than three consecutive days, or for pregnancy or prenatal care or for a chronic health condition which continues over an extended period of time, requires periodic visits to a health care provider and may involve occasional episodes of incapacity, such as serious asthma or diabetes;

Serious health conditions or disabilities also include a permanent or long-term condition such as Alzheimer's, a severe stroke and terminal cancer. In addition, leave may be used to cover absences due to multiple treatments for restorative surgery or for a condition which would likely make you incapable of working for more than three days if not treated, such as chemotherapy or radiation treatments for cancer.

Medical and family leave will not cause the loss of any employment benefits accrued prior to the first day of leave. The leave period will be treated as continued service for purposes of determining vesting and eligibility to participate in any retirement plan in effect. However, employees on medical and family leave normally will not accrue any other additional benefits during the leave period, unless it is paid leave under which benefits would otherwise accrue.

Lankota Group will maintain your insurance benefits while you are on leave, although you may be required to pay your portion of the premium. However, if you do not return to work after the leave, you may be asked to reimburse Lankota Group for the cost of maintaining insurance coverage during the leave. This provision will not apply in cases where your inability to return is through no fault of your own. For example, at the end of leave you remain physically unable to return due to your serious health condition.

Your total medical leave time, which may include paid vacation and sick time, may not exceed 12 weeks. The Company has the right to designate such leaves as running concurrently with medical leave.

If your need for leave is foreseeable, you must give 30 days prior notice, if possible. If you do not give such notice, the leave may be delayed for up to 30 days. If your need for leave is due to a planned medical treatment, make every attempt to schedule the treatment so as not to unduly disrupt the work of your department. If your need for leave is not foreseeable, you must request it as soon as practicable, no later than two business days after the need for leave arises.

A health care provider's certification must be submitted verifying the need for leave and its beginning and expected ending dates. Any changes in this information should be promptly reported to Lankota Group. Employees may be denied leave if you do not provide satisfactory certification. Lankota Group may also require a second opinion or third opinion regarding certification of a serious health condition, at our expense. An employee's employment may be terminated if the employee intentionally misrepresents the reasons for requesting medical leave. You may not work for outside employers while on medical leave with Lankota Group. Upon returning to work from medical leave, employees must provide medical certification that the employee is able to resume work. The employee's health care provider must complete a Return to Work Medical Certification.

The health care provider's certification must state:

1. The date on which the serious health condition commenced;
2. The probable duration of the condition;
3. Appropriate medical facts regarding the condition;
4. A statement that either (a) you are needed to care for your daughter, son, spouse or parent and for how long such care is needed; or (b) you are unable to perform the functions of your position due to your condition.

If intermittent leave or leave on a reduced hours basis is requested, the certification also must contain:

1. The dates of any planned medical treatment;
2. A statement of the medical necessity for and expected duration of intermittent leave or leave on a reduced hours basis; and

3. In the case of leave to care for a family member, a statement that intermittent leave or leave on a reduced hour's basis is necessary for the family member's care or to assist in their recovery, and the expected duration and schedule of the requested leave.

Upon returning to work, the employee will ordinarily be entitled to be restored to their former position or to an equivalent position with the same employment benefits and pay if possible. If the employee does not return to work at the end of the leave and does not notify Lankota Group of the same, the employee may be terminated.

The 12 week leave can be broken up into a schedule that works with Lankota Groups business schedule, but must be taken within 12 months of birth or placement. You may take leave due to your own or a family member's serious health condition in:

- 12 weeks maximum leave;
- An intermittent schedule, such as one day off each week; or
- A reduced schedule, such as beginning two hours late, twice a week.

Military Leave

Pursuant to the Uniformed Services Employment and Reemployment Rights Act (USERRA), Lankota Group prohibits discrimination against persons because of their service in the Armed Forces, the Army National Guard and the Air Force National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency. A military leave will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the USERRA. Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable.

Employees will receive partial pay for up to twelve weeks of military leave. Upon presentation of satisfactory military pay verification data, employees will be paid the difference between their normal base compensation and the pay (excluding expense pay) received while on military duty.

The portion of any military leaves of absence in excess of twelve weeks will be unpaid. However, employees may use any available paid time off for the absence.

Continuation of health benefits is available as required by USERRA and COBRA based on the length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible. At that time, employees will become responsible for the full costs of these benefits if they wish coverage to continue. When the employee returns from military leave, benefits will again be provided by Lankota Group in according to the applicable plans.

Benefit accruals, such as holiday benefits, will be suspended at the end of the first full month of the leave and will resume upon the employee's return to active employment.

Employees on military leave for up to 30 days are required to return to work for the first regularly scheduled shift after the end of service, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Employees returning from military leave will be placed in the position they would have attained had they remained continuously employed or a comparable one depending on the length of military service in accordance with USERRA. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service.

Bereavement Leave

When there is a death in a full time employee's immediate family, i.e., parents, grandparents, brothers, sisters, spouse's parents, brother-in-law, sister-in-law, any half or step relative of the employee or spouse, a bereavement leave of up to three (3) days of paid bereavement leave will be granted. When there is a death of a full time employee's spouse or children a bereavement of up to (5) five days of paid bereavement leave will be granted. If requested, additional unpaid time off or vacation may be taken with the approval of the President of Lankota Group.

Jury Duty

Lankota Group encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees in an eligible classification may request up to two weeks of paid jury duty leave over any one year period.

Jury duty pay will be calculated on the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence. Employee classifications that qualify for paid jury duty leave are:

1. Regular full-time employees
2. Regular part-time employees (At least 20 hours per week)

If employees are required to serve jury duty beyond the period of paid jury duty leave, they may use any available paid time off (for example, vacation benefits) or may request an unpaid jury duty leave of absence.

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

Either Lankota Group or the employee may request an excuse from jury duty if, in Lankota Group's judgment, the employee's absence would create serious operational difficulties.

Lankota Group will continue to provide health insurance benefits until the end of the first full month of unpaid jury duty leave. At that time, employees will become responsible for the full costs of these benefits if they wish coverage to continue. When the employee returns from jury duty, benefits will again be provided by Lankota Group according to the applicable plans.

Benefit accruals, such as vacation, sick leave, or holiday benefits, will be suspended during unpaid jury duty leave and will resume upon return to active employment.

Successive Discipline

Purpose

The purpose of Lankota's discipline procedure is to state Lankota Group's position on administering equitable and consistent discipline for unsatisfactory conduct in the workplace. Lankota's discipline procedure provides employees and management with a process for correcting and improving job performance problems and handling instances of unacceptable personal conduct. Lankota administers a successive disciplinary procedure by which discipline is administered only for just cause and apportioned to the degree of severity and frequency of the performance problem and/or conduct.

All disciplinary actions are to be administered consistently and equitably without regard to race, sex, color, creed, age, political affiliation, disability, religion or national origin, and are subject to the approval of the supervisor and Human Resource Manager. The supervisor recommending disciplinary action should discuss the recommendation with and receive the approval of, first the Human Resource Manager, and if necessary The President of Lankota Group.

Employees are informed of Lankota's Disciplinary and Grievance Policies and procedures during new employee orientation and through the *Staff Employee Handbook*. All employees will be notified through staff meetings and hard copy updates of any changes to this policy no later than 30 days prior to the effective date of the changes.

Covered Employees

- A. Lankota Employee. Any Lankota employee may be warned, demoted, suspended or dismissed for just cause. However, Lankota employees who have completed the probationary period must receive successive discipline as prescribed in this policy.
- B. Probationary Lankota Employee. There is no requirement that the successive disciplinary process be applied in the discipline and or dismissal of probationary Lankota employees. Probationary employees may be disciplined up to and including dismissal without prior warning and without a pre-disciplinary conference.

Reasons for Disciplinary Process

Lankota recognizes four categories of discipline for Lankota employees. Some actions by an employee may fall under one or more categories of discipline. While it is impossible to list every type of behavior that may be deemed a serious offense, the actions set forth in the categories below and the Conduct Standards and Discipline Section of this Handbook provide some examples of problems that may result in immediate suspension or termination of employment.

However, the problems listed are not all necessarily serious offenses, but may be examples of unsatisfactory conduct that will trigger successive discipline.

This is not a comprehensive list; rather, it is meant merely as an example of the types of conduct that this company does not tolerate. These actions include, **but are not limited to**

Categories:

<p style="text-align: center;">Attendance</p> <p style="text-align: center;">Excessive absenteeism Excessive tardiness, leaving early Unusual excuses for absenteeism Leaves work place frequently Extends lunch periods, breaks, vacations</p>	<p style="text-align: center;">Substance Use Related Referral Prompted by</p> <p style="text-align: center;">Detection of alcohol via breathalyzer testing Positive drug test Any violation of Lankota Group’s Drug and Alcohol Policy</p>
<p style="text-align: center;">Behavior on the Job</p> <p style="text-align: center;">Avoids supervisor/coworkers Disregards safety Unusually sensitive to criticism Lacks interest/enthusiasm Changes in grooming/appearance Inappropriate language Unusually critical of others Does not communicate Moody</p>	<p style="text-align: center;">Job Performance</p> <p style="text-align: center;">Low quality of work Erratic work patterns Lack of concentration Missed deadlines Increased frequency of mistakes Poor judgment Decreased productivity Committing any prohibited activity under Conduct Standards and Discipline Section of this Employee Handbook</p>

Disciplinary Actions

A. Types of Disciplinary Actions

There are four types of disciplinary action governed by this policy for Lankota employees to be taken when deemed appropriate. The severity of the problem and the number of occurrences will determine whether an action under the above categories is deemed Unsatisfactory Job Performance or Grossly Inefficient Job Performance or Unacceptable Personal Conduct and what disciplinary action is appropriate. They are Written Warning, Suspension without Pay, Demotion, and Termination. There may be circumstances when one or more steps are bypassed. Lankota Group recognizes that there are certain types of employee problems that are serious enough to justify either a suspension, or, in some situations, termination of employment without going through the usual progressive discipline steps.

B. Unsatisfactory Job Performance

1. The available disciplinary actions and required prerequisites for a current unresolved incident of Unsatisfactory Job Performance are:
 - a. With no active prior disciplinary actions on file, a Written Warning may be issued.
 - b. With one active prior disciplinary action (any type) on file, a Written Warning, Suspension without Pay or Demotion may be issued.
 - c. With two or more active prior disciplinary actions (any type) on file, a Written Warning, Suspension without Pay, Demotion, or Dismissal may be issued.
2. A pre-disciplinary conference is required when Suspensions without Pay, Demotion or Dismissal are under consideration. See Special Provisions for requirements of the pre-disciplinary conference on page 32. No pre-disciplinary conference is required to issue a written warning.

C. Grossly Inefficient Job Performance or Unacceptable Personal Conduct

1. For a current unresolved incident of Grossly Inefficient Job Performance or Unacceptable Personal Conduct, no active prior disciplinary actions on file are required to issue a Written Warning, Suspension without Pay, Demotion or Dismissal.
2. A pre-disciplinary conference is required when Suspensions without Pay, Demotion or Dismissal is under consideration. No pre-disciplinary conference is required to issue a Written Warning.

Written Warning

A. Unsatisfactory Job Performance

A supervisor should initiate a private discussion with an employee as soon as a performance deficiency is observed. If satisfactory improvement is not made, successive discipline should then be administered beginning with a Written Warning. An employee may receive multiple Written Warnings for similar or different infractions. Any Written Warning issued after the first warning which is intended to be the final disciplinary action issued prior to dismissal, must include notification to the employee that failure to make the required job performance improvements may result in dismissal.

B. Grossly Inefficient Job Performance and Unacceptable Personal Conduct

A supervisor may elect to issue a written warning for a current incident of grossly inefficient job performance or unacceptable personal conduct. If the written warning is

intended to be the final disciplinary action issued prior to dismissal, the warning must notify the employee that failure to make the required improvements or corrections may result in dismissal.

C. Requirements

1. Pre-disciplinary Conference

No pre-disciplinary conference is required for a supervisor to issue a written warning. However, the supervisory should meet with the employee when providing the written warning.

2. Written Notice

A written warning must:

- a. Inform the employee that the action is a written warning and not another non-disciplinary process such as counseling;
- b. Include the specific issues that are the basis for the warning;
- c. Inform the employee of what specific improvements corrections must be made to address these specific issues;
- d. Inform the employee of the time frame allowed for making the required improvements/corrections. Immediate correction is required for grossly inefficient job performance or unacceptable personal conduct. **NOTE:** If the warning does not include an improvement or correction time frame, the time frame is 30 days for Unsatisfactory Job Performance and immediately for Grossly Inefficient Job Performance or Unacceptable Personal Conduct;
- e. Inform the employee of the consequences of failing to make the required improvements or corrections;

3. Processing

The Human Resource Manager of Lankota should review a copy of the written warning prior to it being provided to the employee.

Suspension Without Pay

Definition

An employee who has been suspended for disciplinary reasons must be placed on suspension without pay. The suspension for a non-exempt employee may extend from one to five consecutive workdays (i.e., one workday to one workweek, excluding university holidays). The

suspension for exempt employees is one full workweek (five consecutive workdays, excluding holidays).

Demotion

A. Unsatisfactory Job Performance

An employee may be demoted for a current incident of unsatisfactory job performance after having received one prior disciplinary action of any type.

B. Grossly Inefficient Job Performance and Unacceptable Personal Conduct

An employee may be demoted without prior disciplinary action for a current incident of unacceptable personal conduct or grossly inefficient job performance. Disciplinary demotions may be accomplished in any one of three ways:

1. An employee may be demoted to a lower pay grade with a reduction in salary rate as long as the new salary rate does not exceed the maximum of the salary schedule for the new lower pay grade; or
2. An employee may be demoted to a lower pay grade without a reduction in salary rate as long as the salary rate does not exceed the maximum of the salary schedule for the new lower pay grade; or
3. An employee may be demoted while retaining the same pay grade with a reduction in salary rate. In no event will an employee's salary rate be reduced to less than the minimum salary rate for the applicable pay grade or the special entry rate, if in effect.

C. Processing

The Human Resource Manager must review copy of the written notice prior to it being provided to the employee.

Dismissal

A. Unsatisfactory Job Performance

An employee may be dismissed for a current incident after having received two prior disciplinary actions of any type. One or more written warnings must be followed by a written warning or other disciplinary action that notifies the employee that failure to make the required performance improvements/corrections may result in dismissal.

B. Grossly Inefficient Job Performance and Unacceptable Personal Conduct

1. An employee may be dismissed for a current incident of grossly inefficient job performance or unacceptable personal conduct, without any prior disciplinary action.
2. Employees dismissed for grossly inefficient job performance or unacceptable personal conduct are not entitled to a working notice, and are not eligible for rehire with Lankota. Employees who resign during the pre-disciplinary process for grossly inefficient job performance or unacceptable personal conduct also are not eligible for rehire with Lankota.

Special Provisions

A. Extension of Disciplinary Actions

Any written warning or disciplinary action for a Lankota employee may be extended at any time within six months of the effective date of the disciplinary action. The employee must be given written notice of the extension.

B. Transfer of Disciplinary Actions

When a Lankota employee transfers to another department, any active disciplinary action(s) will transfer with the personnel file of the employee and will remain in full force at the new work unit until removed by the new supervisor or made inactive by operation of this policy.

Termination, Resignation and Discharge

Unless expressly proscribed by statute or contract, employment with Lankota Group is on an "at will" basis and may be terminated with or without cause or notice. Similarly, employees are free to resign their employment at any time. If at any time it is necessary for an employee to resign his or her employment with Lankota Group, Lankota Group requests at least two weeks' notice. Failure to provide notice may lead to forfeiture of accrued vacation or other benefits at the discretion of Lankota Group.

Any employee who is discharged by Lankota Group shall be paid only wages accrued to the effective date of the separation.

Exit Interview

To assure constant improvement, management seeks constructive employee criticism through the exit interview process. This voluntary meeting allows the employee the opportunity to express their assessment of Lankota Group and reasons for leaving.

1. An employee leaving Lankota Group for any reason, whether at the decision of Lankota Group or at the request of the employee, participate in an exit interview.

2. The interview will be conducted by Management.

Safety and Security

Safety

Lankota Group is committed to maintaining a safe and healthy environment for all employees. Report all accidents, injuries, potential safety hazards, safety suggestions and health and safety related issues immediately to your manager.

If you or another employee is injured, contact your supervisor or manager immediately. Then your manager will contact the OSHA certified staff for proper paperwork after you receive the medical attention that you need. Seek help from outside emergency response agencies, if needed. Contact information is posted by the nearest telephone.

You must complete an Employee's Claim for Worker's Compensation Benefits Form if you have an injury that requires medical attention. If your inquiry does not require medical attention, you must still complete a Supervisor and Employee Report of Accident Form in case medical treatment is later needed and to ensure that any existing safety hazards are corrected. You can obtain the required forms from Human Resources.

A federal law, the Occupational Safety and Health Act, requires that we keep records of all illnesses and accidents that occur on the job. OSHA also provides for your right to know about any health hazards which might be present on the job.

In addition, the state Workers' Compensation Act also requires that you report any illness or injury caused by the workplace, no matter how slight. If you do not report an injury, you may jeopardize your right to collect workers' compensation payments as well as health benefits. You can get the required reporting paperwork from Human Resources.

First Report of Injury

Injury reporting must be filed after every injury that happens on site. When an injury occurs, first, assess the injury and determine if medical attention is needed. Then alert the direct supervisor about the injury. The direct supervisor will contact the OSHA certified employee of the establishment to get all of the correct paperwork in order to fill out about the injury that occurred. Examples of the First Report of Injury form are attached to the handbook on pages 47 & 48.

Fire Safety

Every employee is responsible for recognizing potential fire dangers and taking an active role in preventing fires.

Employees are required to observe all OSHA safety requirements and regulations. Flammable materials are to be stored in covered metal containers. Employees should not block any fire

doors, fire exits, fire extinguishers, windows or doorways. Review the fire escape routes posted in each work area.

Basic Safety Rules

1. Any unsafe condition or equipment in the work place must be reported to your manager.
2. Any injury must be reported immediately to your manager.
3. Never turn on, use, repair, operate a machine or piece of equipment unless you have been trained on operation procedures by your manager or Safety Director. No employee will use any equipment or materials for which he or she has not received training.
4. Only trained employees may operate a fork lift. Do not operate a forklift in a careless manner.
5. Safety guards and other safety devices are provided for your protection. Removal, alteration or nonuse is prohibited.
6. All janitorial type closets and storage areas are to be kept clean and dry.
7. Access to fire extinguishers, egress aisles, and exit doors must be maintained at all times.
8. Chemicals should be mixed only in a matter as directed by the manager or supervisor.
9. “Caution” signs must be posted on any wet or slippery surface. Spills are to be cleaned up immediately and the affected area should be dried.
10. Use proper lifting techniques. Ask for assistance if you are unsure of your ability to properly lift an object.
11. Horseplay, throwing objects, running, pushing, and practical jokes will not be permitted on Lankota Group property.
12. Seat belts must be worn if you are operating or are a passenger in a motorized vehicle. Proper speed must be maintained when operating a vehicle.
13. Steel-toe shoes are required for everyone working in shop areas.
14. Gloves, safety glasses, hearing protection, and proper respirators are to be worn where required and/or when directed by your manager.
 - a. Gloves are required when:
 - Cleaning restrooms
 - Mixing or pouring chemicals
 - Welding

- Working with hot surfaces

15. Safety glasses are required at all times while in the shop /warehouse area.

16. Proper Respirators are required when:

- Mixing chemicals in an enclosed area
- Exposed to blowing dust debris, chemicals, or powder paint
- Operating inside the paint booth

17. Avoid walking in areas where water and/or chemicals are on the surface whenever possible.

18. Anyone known to be under the influence of drugs or intoxicating substances shall not be allowed on the job while in that condition and is subject to disciplinary action up to, and including termination.

Communication

The following system of communication is designed to facilitate a continuous flow of safety and health information between management and staff in a form that is readily understandable and consists of:

1. Regular scheduled monthly employee meetings.
2. Effective communication of safety and health concerns between workers and supervisors including translations where appropriate. Lankota Group has an open door communication policy whereby all works are encourage to immediately notify your supervisor or Human Resource Manager of safety concerns.
3. Posted or distributed safety information. The MSDS manual is available by contacting the safety director.
4. In the event an accident or injury occurs on the job, it must be reported to your supervisor immediately.

Lankota Group promotes a safe work environment. However, there may still be hazards in the operations of any business involving people and machines. It is especially important that you always think of safety as you learn and perform your job. You can help yourself and others by reporting to your supervisor all unsafe conditions or hazards that you observe.

Safety Awareness

Employees must also be made aware that if they are injured while not wearing the required proper safety equipment, and/or not following the safety procedures they are subject to

disciplinary action up to and including termination. Any disciplinary action will be levied relative to the severity of the employee's unsafe behavior.

Security

Having Lankota Group be a safe and secure work environment is very important, our security measures are codes on all doors surrounding Lankota Group. These doors will remain locked at all times when no one is present in the building (holidays and weekends). Depending upon your work environment; you will have access to these codes. No one besides Lankota Group employees should be allowed knowledge to any of these codes. If anyone other than Lankota Group staff has access to these codes it poses a potential safety risk, it is your job to keep this codes to yourself. Any failure to do so can result in termination.

Emergency Measures (Inclement Weather)

It is Lankota Group's general stance that operations will remain open on regularly scheduled days, even in the event of inclement weather. However, in the event of a very severe storm in your area, Management will notify the local radio stations if the facility is going to close. Individual employees are to determine whether or not to travel in adverse weather conditions using their best judgment with safety as the primary factor. DO NOT put yourself or any family members in danger in efforts to attend work. During inclement weather while at Lankota, all staff should report to the office bathrooms.

Any time off for weather purposes will be considered time off with pay if management closes the business due to weather. If the employee determines not to attend work due to weather, they must notify Management prior to their scheduled time to work. This will be considered time off without pay, unless the employee chooses to use vacation time.

Employee Benefits

Eligible employees at Lankota Group are entitled to a wide range of benefits. A number of the benefit programs (such as Social Security, workers' compensation, state disability and unemployment insurance) cover all employees as required by law.

Eligibility for most other benefits depends upon a variety of factors, including employee classification. Your supervisor can identify the programs for which you are eligible. You can find the details of many of these programs in separate written summaries in this handbook. For more information, contact Human Resources.

Some benefit programs require contributions from employees, but Lankota Group contributes some financial responsibility towards a few benefits. We reserve the right to add, amend, modify or terminate any employee benefit plans or programs.

If an employee is not enrolled in the medical or dental benefit program there is an open enrollment month for each when an employee can add or change paid benefits for the coming year. Please refer to your Human Resource Manager for these open enrollment months.

Medical Insurance

Lankota Group offers Wellmark Blue Cross Blue Shield and bears a substantial cost of this plan for the employee. This is available after the full probationary period is completed. Refer to the printed information from the insurance provider for details of eligibility and coverage or contact the Human Resources Manager.

COBRA

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under Lankota Group's health plan when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are resignation, termination of employment, or death of any employee, a reduction in an employee's hours or a leave of absence, an employee's divorce or legal separation, and a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary pays the full cost of coverage at Lankota Group's group rates plus an administration fee. You should receive written notification of your rights granted under COBRA within two weeks of the employee becoming eligible under Lankota Group's health insurance plan. Should you have questions about this coverage, contact the Human Resources Manager.

Retirement Saving Plan

Lankota Group provides a simple plan for retirement for fulltime employees who have completed a full year with the company and otherwise qualify to participate. Lankota Group will contribute a dollar-for-dollar match up to 3% of the employee's pay to the employee's retirement plan.

Lankota Group's retirement plan trustee is Cornerstone Financial Solutions, Inc.

Supplemental Insurance

Supplemental insurance such as accident, cancer, hospital, etc. is offered through Colonial Life after the full probationary period is completed. Our Colonial Life agent will come to the premises to meet with you. If the employee elects such coverage, deductions for premium payments will be deducted from the employee's payroll check and paid by Lankota Group. Please refer all questions to your Human Resources Manager.

Dental Insurance

As a member of the SD Retailers Association, Lankota Group is required to pay at least 25% of the single cost as an employee benefit for all eligible employees. Upon completion of the introductory period, an employee is eligible for dental insurance coverage. If the employee elects such coverage, deduction for premium payments will be deducted from the employee's payroll check and paid by Lankota Group. Please refer all questions to your Human Resource Manager.

Fraud/Identity Theft Protection

Lankota Group offers LifeLock Services. LifeLock offers many services such as identity threat detection and alerts, lost wallet protection, address change verification, check and savings account alerts, etc. Our LifeLock agent will come to the premises and meet with you. If the employee elects such covers, deduction for premium payments will be deducted from the employee's payroll check and paid by Lankota Group. Please refer all questions to your Human Resource Manager.

Worker's Compensation

Lankota Group provides insurance to compensate for any illness or injury an employee might suffer while working on company premises, traveling on official company business, or attending an activity officially sponsored by Lankota Group. If you become ill or injured, please get medical attention at once.

You must also report the details of any illness or injury you experience to your supervisor **immediately**. And you must complete a report for every injury, no matter how small, to keep the coverage in force and to get any benefits or other compensation to which you may be entitled.

Neither Lankota Group nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by Lankota Group.

Short Term Disability/Long Term Disability

Lankota Group provides a STD & LTD policy for fulltime employees who have completed the probationary period with the company. You must inform the HR Manager if you need to file a claim as soon as possible.

Vacation & Holidays

Holidays

Lankota Group observes the following holidays:

- New Year's Day (January 1)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Thanksgiving (fourth Thursday in November)
- Christmas Day (December 25)

Lankota Group will grant paid holiday time off to all employees immediately upon assignment to an eligible employment classification (so long as the employee would normally have been scheduled to work on the holiday). Holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday) times the number of hours the employee would otherwise have worked on that day. An eligible employment classification is if you are a

regular full-time employee. The President of Lankota Group shall decide what days are observed for the holidays. Should a holiday fall during an employee's paid time off, such as a vacation, the employee may choose to collect holiday pay in place of vacation time. However, the employee will not be compensated for both.

All eligible employees are entitled to receive holiday pay during their introductory period.

Employees assigned to work the holiday will be paid the normal holiday pay along with regular pay for the hours worked.

Any employee that is terminated or resigns forfeits all upcoming holiday pay.

Due to business needs, some employees may be required to work on company holidays. Your supervisor or manager will notify you if this may apply to you.

Vacation

Diversified personal interests contribute to the enjoyment and enrichment of living. Employees are encouraged to take advantage of their earned vacation by taking time off from work. Vacations are of value to you and Lankota Group in terms of morale, health, and efficiency. Every attempt is made to accommodate Lankota Group's requirements in the scheduling of vacations. Lankota Group may, in its discretion, reschedule vacation time if the employee's skills are needed. Vacation pay may be used in the event of sickness.

Procedure

1. Vacation for regular, full-time employees is based on years of service. The amount of vacation employees receive each year increases with the length of their employment as shown in the following schedule:
 - 1 week after 1 year
 - 2 weeks after 2 years
 - 3 weeks after 3 years
 - 4 weeks after 4 years
2. You will be awarded your first week of vacation a year after your start date with Lankota Group. Thereafter, vacation already earned will be awarded on January 1st. The vacation earned for a complete year of work will be awarded on your anniversary date.

Example: An employee starts July 1, 2008. The employee will receive 40 hours of vacation on July 1, 2009 for year one. The employee will then receive 40 hours of vacation on January 1, 2010 and the second year of vacation (40 hours) on July 1, 2010 for year two.

3. Additional vacation time without pay is allowed if this time off benefit is not abused. No more than 2 days or 16 hours a month can be taken in this manner. Prior to granting such additional time, a written request for approval is required.
4. Forty hours of vacation is allowed to be carried over after your anniversary date. The time will need to be used by the following anniversary date. If you have 40 hours or less in vacation hours, the amount will automatically be rolled over into the next calendar year. Any vacation above the 40 hours WILL BE PAID OUT on the last payroll of the calendar year.
5. Example: If you have 100 vacation hours remaining as of 12/30/15, 40 hours will roll over into 2016 and 60 hours will be paid out on 12/30/15 payroll.
6. Vacation time can be used in minimum increments of 1/2 hours. Employees who have unexpected need to be absent from work should notify their direct supervisor before the scheduled start of their workday, if possible. The direct supervisor must also be contacted on each additional day of unexpected absence.
7. To schedule planned vacation, employees should request advance approval from their supervisors.
8. Vacation is paid at the employee's base pay rate at the time of absence. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

Separations

1. Any employee who resigns or is laid off will receive pay for one week of unused vacation time, if this vacation time is available.
2. Any employee terminated for any reason forfeits all vacation pay.
3. Any retiring employee is to be paid all earned and unused vacation.

Other

Travel & Expenses

Employees who use their personal vehicle for authorized Lankota Group travel, will be reimbursed at a rate per mile assigned by Lankota Group. Persons traveling out-of-town for Lankota Group business should file a travel expense voucher for approval by the President of Lankota Group. Lankota Group will reimburse them for normal out-of-pocket business expenses. Large expenditures should be pre-approved by Management to ensure reimbursement.

All original receipts must be turned in for reimbursement. This includes lodging, airline ticket and itinerary/schedule, rental car, fuel, taxi and airport parking. Please make copies for your own

records. All non-receipted items must be documented ex. bridge toll. Any unusual circumstances that do not follow the guidelines (i.e. unusual routings) must be fully explained in writing. When travel is completed, employees must submit completed travel expense reports within 60 days. Reports should be accompanied by receipts for all individual expenses.

Regarding Expenses: **AIRFARE** - Only economy class will be reimbursed. If you purchase any **RENTAL CAR EXPENSE** you will be liable for the cost. **LODGING** - you will only be reimbursed up to the per diem including tax. **PERSONAL VEHICLE** - You must state mileage driven. You will be reimbursed at the current per diem. This includes mileage driven to and from the airport. **PER DIEM / MEALS** - You will be paid the current per diem rate. In order to calculate your per diem we will need the following information: The time you departed your residence on departure date and the time you returned to your residence from business travel. No per diem is paid on a one-day business trip that is less than 10 hours. All tips (except taxi) are included in the per diem.

Procedure

1. Lankota Group will reimburse employees at the current rate per mile for out-of-town Lankota Group business when the use of a personal car is involved. This rate is to include all vehicle expenses including insurance and repairs.
2. Lankota Group will reimburse for lodging and meals when an out-of-town, overnight Lankota Group business trip is authorized. This does not include personal phone calls or entertainment.
3. After your business trip, complete the expense voucher and submit it with receipts to your Supervisor.
4. All expenses should be approved by Management.
5. All in town trips will be reimbursed when an employee's personal car is used to conduct Lankota Group business.

Per Diems for the current year will be handed out separately

Fundraising

Lankota Group will set aside a certain amount of funds each year that will support fundraisers that exemplify the ethics and standards Lankota Group abides by. Lankota Group will also choose at the beginning of each year which fundraisers and non-profit entities to support.

Non-Disclosure Agreement

Confidential Information

Lankota Group has and will develop, compile and own certain proprietary and confidential information that has great value in its business (“Confidential Information”). Confidential Information includes all information which is not generally known to Lankota Group’s competitors and the public, and which has or could have commercial value to Lankota Group’s business. It includes not only information disclosed by Lankota Group’s (or its partners, customers, clients, affiliates, vendors, or tenants) to employee during the course of employee’s employment with Lankota Group, but also information developed or learned by employee during the course of employee’s employment with Lankota Group. Confidential Information also includes, but is not limited to, the following types of information: (i) information regarding Lankota Group’s technology, computer programs, products, product specifications, techniques, inventions, improvements, research, test results, or know-how; (ii) information regarding Lankota Group’s customers’, clients’, tenants’, business affiliates’ and vendors’ identities, locations, characteristics, performance and agreements; (iii) information regarding Lankota Group’s marketing, sales and business plans, strategies, pricing, forecasts, unpublished financial information, budgets, projections, staffing and personnel plans. Employee acknowledges and agrees that Lankota Group’s Confidential Information is secret, valuable and owned by Lankota Group, and that Lankota Group has exercised substantial efforts to preserve the information’s secrecy.

During and at all times after Employee’s employment with Lankota Group, employee agrees to keep confidential, and not to disclose to any third party or to make use of Lankota Group’s Confidential Information, except for Lankota Group’s benefit and in the course of employee’s employment with Lankota Group. Employee also agrees not to remove or otherwise transmit Confidential Information from the premises or possession of Lankota Group without the express prior written consent of Lankota Group. employee acknowledges that unauthorized disclosure of Confidential Information will be highly prejudicial to Lankota Group’s interests, an invasion of privacy, and a violation of Trade Secret Laws.

Upon termination of employee’s employment with Lankota Group, for whatever reason, whether voluntary or involuntary, employee agrees, promptly and without request, to deliver to and inform Lankota Group of all documents and data pertaining to employee’s employment and Lankota Group’s Confidential Information, whether prepared by Employee or otherwise coming into Employee’s possession and control. Employee shall not retain any written or other tangible material containing any Confidential Information or any information concerning or disclosing any of the Confidential Information. Employee further agrees that upon conclusion of employment, employee shall not remove or retain any document, copy of document, diskette, or other electronic media, or any other recording, in any type or form, relating to Confidential Information, and Employee agrees to deliver promptly to Lankota Group all computers, mobile devices, records, manuals, books, customer lists, blank forms, documents, letters, memoranda, notes, notebooks, reports, data, computer disks, tapes or other computer storage data, tables, photographs, videotapes, audio tapes, and calculations or copies thereof, which are the property of Lankota Group or which relate in any way to the business, products, practices or techniques of Lankota Group, and all other property, proprietary inventions and all materials relating thereto,

trade secrets and Confidential Information of Lankota Group, including, but not limited to, all documents which in roll or in part contain any Confidential Information of Lankota Group which are in Employee's possession or under Employee's control. Employee acknowledges that the unauthorized taking of any of Lankota Group's trade secrets is a violation of South Dakota's Trade Secrets laws, which is punishable by criminal as well as civil penalties.

Employee hereby assigns and agrees to assign to Lankota Group all right, title and interest in any item developed for Lankota Group pursuant to employee's employment with Lankota Group, including, but not limited to, all manuals, advertisements, promotional or instructional materials, drawings, designs, reports, working papers, and documents of every kind (the "Work Product"). The Work Product shall be deemed a **WORK MADE FOR HIRE** and made in the course of Employee's employment with Lankota Group and shall belong exclusively to Lankota Group. Lankota Group shall have full and unlimited right to use the Work Product, including, but not limited to, any pre-existing proprietary rights owned by Employee to the extent such proprietary rights are incorporated in the Work Product by employee or his agent, without any claim or right thereto by Employee or his agent for additional compensation. Lankota Group shall have the right to obtain and hold in its own name, copyrights, patents, registrations or any other protection that may be appropriate with respect to the Work Product. Employee shall deliver to Lankota Group all copies of the Work Product upon request. Current employees or former employees who improperly use or disclose Confidential Information in violation of this policy will be subject to disciplinary action, up to and including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

Employee Signature

Date

Lankota Group Employee Handbook Understanding and Acknowledgement Form

I hereby acknowledge receipt of the Employee Handbook. I have received my copy of Lankota Group's handbook. I know it is my responsibility to read and become familiar with the handbook so that I understand my rights and responsibilities as employee of Lankota Group. Should I have questions regarding the contents, I understand it is my responsibility to ask my supervisor, Human Resource Manager or the President of Lankota Group.

I understand that nothing in the Employee Handbook, or this acknowledgement form alters the fact that all employees of Lankota Group are employed "at will" and that such employment may be terminated, with or without cause or notice, at the will of the employee or Lankota Group. I acknowledge that I have entered into my employment relationship with Lankota Group voluntarily and further acknowledge that there is no specified length of employment. Neither the Employee Handbook or any related policies, practices or guidelines are employment contracts or parts of any employment contract. Lankota Group has not solicited my assent or agreement to the policies and procedures set forth in this handbook, and my employment is not in consideration of or in return for my being bound by this handbook. Lankota Group reserves the right to rescind, modify or deviate from the Employee Handbook, or any other policy, practice or guidelines as it considers appropriate in its sole discretion, either in individual or company-wide situations.

1. I have read and understand Lankota Group's guidelines relating to the anti-harassment policy.
2. I have read, signed and understand the Lankota Group's Workplace Drug and Alcohol Policy.
3. I have read and understand the conduct, work rules, guidelines, and disciplinary action policy.
4. I have read and understand that any injury, regardless of severity, claimed by me while on the job must be reported immediately and/ or within 24 hours and documented on a First Report of Injury form for workman's compensation to cover the injury.
5. I have read and understood that my job duties with respect to my employment include the responsibility of constantly watching for hazards that may constitute an unsafe and /or unhealthy condition for my fellow employees, our customers or me. I further understand that I am responsible for reporting to my supervisor the hazard observed and if safely possible, I should correct the situation myself so as to render it safe.

I certify that I read and understand the Lankota Group guidelines/policies as set forth in this Employee Handbook under which I am to work and I will abide by the above statements.

(Employee Signature)

(Employee Name Printed)

Date

**Notice, Authorization and Consent Regarding
Lankota Group Workplace Drug and Alcohol Policy**

The person named below as Employee hereby agrees as follows:

1. As a part of my employment with Lankota Group, I acknowledge that I have been notified of Lankota Group's drug and alcohol policy that states as follows:

Lankota Group has a responsibility to ensure a safe workplace for all employees, free of alcohol and drug abuse.

Lankota Group prohibits the illegal possession, use or distribution of drugs or other controlled substances in any amount on Company property or on Company time. Violation of this rule will not be tolerated and will be just cause for disciplinary action up to and including immediate discharge from employment.

Lankota Group employees are not permitted to work while under the influence of alcohol or drugs. An employee will be considered to be "under the influence" of alcohol or drugs if the employee tests positive for alcohol or drugs or when its consumption has impaired or is likely to impair the employee's job performance in the sole judgment of Lankota Group. If an employee reports to work and appears to be under the influence of alcohol or drugs, the employee is subject to reasonable suspicion testing. Violations will be subject to disciplinary action up to and including immediate discharge from employment.

Any employee who is involved in a job-related accident or whose on-the-job behavior indicates that he or she may be under the influence of drugs or alcohol in violation of this policy, in Lankota Group's sole judgment, may be required to submit to alcohol or drug testing conducted by medical personnel designated by Lankota Group. If the results of testing indicate evidence of drug or alcohol usage in violation of this policy, the employee shall be subject to disciplinary action up to and including immediate discharge from employment. Lankota Group will endeavor to keep the results of any drug and alcohol tests confidential and disclosed only on a need-to-know basis, or as directed by legal authorities.

Employees or employees may not refuse to submit to an alcohol or drug test administered under this policy. Inability or refusal to provide an adequate amount of breath or urine will be construed as a refusal to test, unless medical evaluation subsequently confirms an interfering medical condition. Refusal to be tested is considered to be insubordination and shall result in disciplinary action up to and including discharge from employment.

In compliance with the Drug Free Workplace Act, Lankota Group tests under several circumstances: Pre-employment, post-accident, reasonable suspicion, and random testing.

2. I acknowledge that employment at Lankota Group involves work that affects my safety and the safety of others. I agree that workplace behavior influenced by drug or alcohol is a potential danger to myself and others and harms the interest of the employer and the customers of Lankota Group.

3. I agree that Lankota Group may adopt, implement and enforce a drug policy that includes (a) random testing of employees for drugs and alcohol; (b) mandatory or discretionary testing of any employee involved in any accident or incident involving bodily injury or property damage or when there is reasonable suspicion of a violation of this policy; (c) disciplinary action against me, including termination of my employment, for workplace possession of drugs or alcohol, ingestion of drugs or alcohol in the workplace, presence at the workplace under the influence of drugs or alcohol, or refusal to submit to a test consistent with this policy.

4. FOR PURPOSES OF IMPLEMENTATION AND ENFORCEMENT OF THE DRUG AND ALCOHOL POLICY, I HEREBY WAIVE ANY RIGHT OF PRIVACY THAT MIGHT OTHERWISE APPLY.

Dated: _____

EMPLOYEE:

WITNESS:

Examples of "First Report of Injury" forms:

Form #1

OSHA's Form 301 Injury and Illness Incident Report

Attention: This form contains information relating to employee health and must be used in a manner that protects the confidentiality of employees to the extent possible while the information is being used for occupational safety and health purposes.



U.S. Department of Labor
Occupational Safety and Health Administration

Form approved OMB no. 1218-0176

This *Injury and Illness Incident Report* is one of the first forms you must fill out when a recordable work-related injury or illness has occurred. Together with the *Log of Work-Related Injuries and Illnesses* and the accompanying *Summary*, these forms help the employer and OSHA develop a picture of the extent and severity of work-related incidents.

Within 7 calendar days after you receive information that a recordable work-related injury or illness has occurred, you must fill out this form or an equivalent. Some state workers' compensation, insurance, or other reports may be acceptable substitutes. To be considered an equivalent form, any substitute must contain all the information asked for on this form.

According to Public Law 91-596 and 29 CFR 1904, OSHA's recordkeeping rule, you must keep this form on file for 5 years following the year to which it pertains.

If you need additional copies of this form, you may photocopy and use as many as you need.

Information about the employee

- 1) Full name _____
- 2) Street _____
City _____ State _____ ZIP _____
- 3) Date of birth ____/____/____
- 4) Date hired ____/____/____
- 5) Male
 Female

Information about the physician or health care professional

- 6) Name of physician or other health care professional _____

- 7) If treatment was away from the workplace, where?
Facility _____
Street _____
City _____ State _____ ZIP _____

Information about the case

- 10) Case number from _____ (Transfer the case number from the Log after you record the case.)
- 11) Date of injury _____
- 12) Time employee began work _____ AM / PM
- 13) Time of event _____ M / PM Check if time cannot be determined

14) **What was the employee doing when the incident occurred?** Describe the activity, as well as the tools, equipment, or materials the employee was using. Be specific. Examples: "climbing a ladder while using roofing materials"; "spraying chlorine from hand sprayer"; "daily computer key-entry."

15) **What happened?** Tell us how the injury occurred. Examples: "When ladder slipped on wet floor, worker fell 20 feet"; "Worker was sprayed with chlorine when gasket broke during replacement"; "Worker developed soreness in wrist over time."

16) **What was the injury or illness?** Tell us the part of the body that was affected and how it was affected; be more specific than "hurt," "pain," or "sore." Example: "strained back"; "chemical burn, hand"; "carpal tunnel syndrome."

17) **What object or substance directly harmed the employee?** Examples: "concrete floor"; "chlorine"; "radial arm saw." If this question does not apply to the incident, leave it blank.

18) **If the employee died, when did death occur?** Day of death ____/____/____

Completed by _____
Title _____
Phone (____) _____ Date ____/____/____

Public reporting burden for this collection of information is estimated to average 22 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Persons are not required to respond to the collection of information unless it displays a current valid OMB control number. If you have any comments about this estimate or any other aspects of this data collection, including suggestions for reducing this burden, contact: US Department of Labor, OSHA Office of Statistical Analysis, Room N-3044, 200 Constitution Avenue, NW, Washington, DC 20210. Do not send the completed forms to this office.
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012-F (Rev. 1/04) 7224

Form #2

Accident Reporting Form

Accident Report Number _____

ACCIDENT DATA

EMPLOYEE _____ DATE OF ACCIDENT _____ TIME _____ AM/PM
REPORTED BY _____ PHONE NUMBER _____
LOCATION _____
DESCRIPTION OF ACCIDENT _____ _____

DEATH & INJURY

HAS ANYONE BEEN KILLED? _____ STATE NAME(S) _____
INJURY? _____ STATE NAME(S) & EXTENT OF INJURY _____
MEDICAL PERSONNEL CONTACTED (name) _____
WHERE VICTIMS TAKEN _____
WAS THERE ANYONE ELSE INVOLVED IN THE ACCIDENT? Y / N
STATE NAME(S) _____

ADDITIONAL COMMENTS

--

Person Dispatched to Scene _____ Title _____

Person Receiving Report _____ Title _____

Date _____ Time _____ AM / PM

