

INTRODUCTION TO KEARNEY ELECTRIC, INC.

Updated 2.1.2025

WELCOME TO KEARNEY!

About This Employee Handbook

This handbook is intended to convey information to employees regarding their employment with Kearney Electric, Inc (Kearney). KEARNEY management created the policies in this handbook and may change or cancel them at any time. When policies are changed or cancelled, or new policies are added, you will be provided with a written notice so you can keep your copy of the handbook up to date. This handbook replaces all previous handbooks or written policies of general distribution concerning the various subjects addressed in this handbook.

We have provided you with your own copy of this handbook. You should take the time to read all of it and should keep it as a reference for your use throughout your employment with KEARNEY. We expect all employees to comply with the provisions of the handbook that relate to employee conduct, actions, and responsibilities.

Important Note: Employees sometimes believe that the policies contained in an employee handbook create some sort of contract between them and their employer. At KEARNEY, that is not true. The policies in this handbook are not intended to, and do not create any sort of contract between you and KEARNEY. No contractual obligations of any kind are created by this handbook. Where the handbook discusses your responsibilities as a KEARNEY employee, these provisions are simply a means of conveying to you some of Kearney's expectations. Those responsibilities are not contractual. Any contractual obligations between you and KEARNEY will, if applicable to your employment, be set forth in a separate agreement or agreements.

Section One

Our Mission Statement

We believe in growing profitably by providing a broad range of quality, innovative and competitively priced electrical contracting services. We are dedicated to client satisfaction through quick response, proven expertise, and excellence in everything we do. Our managed growth provides job security, fair compensation, and growth opportunities for employees committed to individual development and teamwork!

WHO WE ARE

In 1977, Mike Kearney, Sr. founded Kearney Electric, Inc. (Kearney) with the following philosophy:

The rewards in this business come from developing stable, long term relationships. We're especially proud of our customer's loyalty—the trust factor. In part, it's a direct reflection on our job performance and servicing. But beyond that, it's because we work equally hard to enhance our customers' reputation.

KEARNEY has measured its success by its customer and employee satisfaction and loyalty. KEARNEY has learned to constantly challenge the process, by reinventing itself and creating an environment in which the industry's best, brightest, and most creative are attracted, retained, and fully utilized.

It is a special kind of person that chooses to work at KEARNEY. We are a merit shop and believe that personal and company success requires that our employees continuously develop and grow, strive for excellence in everything they do, exhibit self-confidence in the manner in which they conduct their work, and work collaboratively with other employees, customers, and vendors.

Our employees share a common vision, mission and a value system defined as "how we do business at KEARNEY." We know that employees who take pride in their work will work to the best of their abilities, therefore making the company, its clients, its vendors, and subcontractors successful.

KEARNEY'S VISION

These few words say it all. What drives us to be successful is a clear and dedicated focus on:



CORE VALUES

To meet the company's mission, KEI employees identified the following behaviors that reflect the way they conduct their work with one another and their customers:

1. Integrity

- When we make commitments, we follow through and report back the results.
- We don't shine at another's expense.
- We have open and honest communications; we have no hidden agendas.
- We are impeccable with our word.
- We take pride in our work.

2. Courage

- We don't conform to peer pressure.
- If the behavior impacts the team, we bring it up to the team.
- We do not compromise work efforts and our ethics.
- We take a chance and keep trying.
- We take responsibility for our actions.

3. Equality

- We get to know every person in the company by talking and listening to them.
- Every job is important at KEI.
- We express gratitude and show appreciation to one another.
- We do not play favorites in applying policies and procedures.
- We provide equal opportunities based on merit.

4. Commitment to Excellence

- We attend ongoing training, both technically and through cross-training.
- We demonstrate a positive and enthusiastic attitude.
- We have ongoing leadership and team development.
- We do the best job we can and do the job right the first time.
- We conduct effective communication and listening.

5. Vision

- We support and encourage each other to realize our personal goals in alignment with company goals.
- We provide an environment for teams to improve communication and processes.
- We look beyond the present—we are future thinking.
- We see the value of employee accomplishments. We respect deeds over vocabulary. Our motto is "Don't tell me, show me."
- We try without fear of failure.

SECTION 2

WHAT WE DO

Electrical Division

- Design Build / Design Assist
- Preconstruction Services
- Large Projects
- Services and Small Projects
- Energy Audits / Retrofits and Lighting Upgrades

Virtual Construction

- Building Information Modeling (BIM)
- Clash Detection
- Model Coordination
- Fully Modeled Electrical Systems
- Fabrication Drawings
- Installation Drawings
- Robotic Layout Points
- As-built Drawings

Prefabrication

- Room by Room kitting
- Conduit Bending
- Pipe Threading
- Custom Labeling
- In-wall Rough In Assemblies
- Racks and Strut
- Conduit Rack Assembly

Communications Division

- Design Build / Design Assist by BICSCI RCDD
- Preconstruction Services
- Structured Cabling
- Fiber Optic
- Wi-Fi
- DAS & Emergency First Responder Radio Systems
- Sound Masking

Where We Are Going

We believe the future is never limited due to our employees' continued innovation and creativity.

HOW WE DO BUSINESS

Equal Employment Opportunity Policy

KEARNEY is committed to providing equal employment opportunity and a workplace free from unlawful discrimination and harassment. Discrimination against or harassment of employees or applicants on the basis of race, religion, color, national origin, disability, age, sex or any other basis prohibited by federal, state or local law is strictly prohibited.

If you are aware of the situation, you believe involves unlawful discrimination or harassment of any kind, you should follow the reporting guidelines set forth below in the Company's policy against harassment. KEARNEY will permit no retaliation of any kind against an employee who makes such a report or participates in a Company investigation of alleged discrimination or harassment.

Disabled employees may be entitled to an accommodation to allow them to perform the essential functions of their jobs. If you believe you may be entitled to accommodation, you should direct your inquiry to your supervisor and/or the Kearney Operations Management Team (OMT).

Policy Against Harassment

KEARNEY will not tolerate harassment of its employees in the workplace or in the performance of their duties, whether by other employees or non-employees, on the basis of race, religion, color, national origin, disability, age, sex or any other basis, nor will KEARNEY tolerate harassment of its employees for engaging in any conduct protected by federal, state or local law. Harassment can include, but is not limited to, unwelcome conduct, whether verbal, physical or visual, that is based upon or directed towards any of the above characteristics or conduct of any KEARNEY employee.

Sexual Harassment

Sexual harassment has been defined generally as including:

- unwelcome sexual advances
- requests for sexual favors
- and other verbal, physical or visual conduct that is based on sex whenever
 - the employee is required in some way to submit to or tolerate the conduct
 - the employee's reaction to the conduct is used as a basis for employment decisions affecting that employee

- the conduct has the effect of interfering with the employee's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment is not limited to demands for sexual favors. Other types of inappropriate conduct may constitute sexual harassment. Examples might include:

- sexually oriented kidding, teasing or jokes
- repeated offensive sexual flirtations, advances or propositions
- continued or repeated verbal abuse of a sexual nature
- graphic or degrading comments about an individual or his or her appearance
- display of sexually suggestive objects or pictures
- inappropriate physical contact

Sexual harassment is not limited to sexual conduct but may also include hostile or intimidating conduct that is based on gender.

Reporting Harassment

If you believe that you have been the victim of any form of harassment, or if you have reason to believe that someone else has been the victim of harassment, or if you believe that there is a situation involving KEARNEY's business that might constitute harassment, you should immediately report the matter. At your option, you may report the matter to your immediate supervisor or Human Resources or to both.

Investigation

KEARNEY will investigate all complaints and reports. While it cannot guarantee complete confidentiality, the Company will maintain confidentiality and the privacy of the individual involved to the degree practicable without compromising the investigation. Where warranted, the Company will impose disciplinary action against those found to have committed or participated in any inappropriate conduct. Such disciplinary action could include termination of employment.

KEARNEY will permit no retaliation of any kind against any employee who makes a complaint or report under this policy, nor will the Company permit retaliation against an employee who participates in a Company investigation.

General Business Ethics

KEARNEY is committed to maintaining and building upon its reputation for integrity and excellence. This applies to the way we deal with each other as employees, our customers, vendors and other third parties. KEARNEY will comply with all applicable laws and regulations. We expect and require everyone who works for or with us to conduct business in accordance

with all such laws and regulations and to refrain from any dishonest or unethical conduct of any kind.

If you encounter a situation that raises uncertainty in your mind about whether something is legally or ethically proper, you should immediately address your concern with your supervisor and/or the Human Resources Department.

Conflicts of Interest

KEARNEY employees are expected to act in the best interests of the Company in all ways. Employees should not acquire any sort of personal interest in a business or otherwise place themselves in a position that may tend to cause them to use their position and influence within KEARNEY for personal gain or for the personal gain of others rather than solely for the benefit of the Company. If you have, or contemplate having, a financial interest in or any other relationship with any of the Company's vendors, customers or competitors, you must disclose that interest to any member of the Operations Management Team (OMT). Employees cannot use company tools, equipment, vehicles or materials for personal benefit or engage in activities that are in direct competition with the Company.

Employees with purchasing responsibilities or anyone in a position to influence purchasing decisions or employed to support the purchasing function, may not accept any gift from any vendor or prospective vendor except for food or beverage consumed at business-related meetings or promotional "giveaways" such as calendars or note pads.

KEARNEY will sometimes give business gifts to customers, but such gifts should reflect customary business courtesies, be reasonable in frequency and value (typically, the value to the recipient should be nominal), and should represent tokens of esteem. In no event should gifts be given with an expectation of return to KEARNEY or a KEARNEY employee.

If you have questions about the appropriateness of a gift offered, received, given or contemplated, please contact any OMT member.

Confidentiality of Information

The protection of confidential business information is vital to KEARNEY. Confidential information includes all the information relating to the business operations of KEARNEY or the business operations of KEARNEY's customers that is not publicly known. Such information must not be used for the benefit of any person or entity other than KEARNEY (or its customer in the case of information belonging to the customer) or disclosed or revealed to any third person or entity. These obligations apply to every KEARNEY employee both during and after employment with the Company. Upon termination of your employment with KEARNEY, you must deliver to the Company all originals and all copies of all documents, materials or media (whether in paper, electronic or other form) embodying or reflecting confidential information.

Any confidential information that is appropriately shared with third parties (such as design data given to vendors) shall be marked as confidential or proprietary before leaving KEARNEY's facility. Any documents, materials or media reflecting such confidential information (including drawings, designs, procedures and financial reports) shall not be discarded in regular trash or recycle bins without first being shredded. Shredders are available in the Accounting Department.

Kearney employees or terminated employees are not to divulge Company or customer information to outsiders. This includes, but is not limited to, copying written materials, accounting methods, methods of installation, contractual information, trade secrets, financial data, workload, how we perform installation via subcontract, pending/possible/future work or contracts, customer list, or any other information that could be damaging to the Company.

Attendance and Punctuality

Each employee is important to Kearney's overall success. We count on you to show up for work on time. This means being in the office/shop/job site and ready to work at the starting time each day.

We recognize that some time away from work is desirable while other time away can be unavoidable. If you are unable to report for work and you have not previously scheduled the time away, please follow the callout procedure:

1. Contact the office (602-437-0235) – leave a voice mail or talk with the receptionist at least 30 minutes prior to your shift. The voicemail should include: your full name, your employee id, and either your job site or supervisor's name.
2. Provide the reason for your absence. (example: sickness, family emergency, car problems)

AND

3. Call your supervisor or foreman to let them know. Confirm with them that you have notified the office, also.
4. If you are unable to speak due to illness or circumstances, please text your supervisor and dispatch (888-573-5791) to confirm your absence. Otherwise, you should be calling in verbally.

Failure to notify the office and/or supervisor results in being marked as an NCNS (no call no show). 3 days of NCNS may result in termination.

Absenteeism and tardiness place a burden on other employees and on the company and can result in discipline, up to and including termination. Only unusual circumstances will excuse the requirement to provide notice prior to the start of the work time you are missing.

Dress, Appearance and Housekeeping

KEARNEY employees should dress and appear in ways that are appropriate to the work they are performing.

On construction and job sites, employees should wear closed, hard-toe footwear, safety glasses, hard hats and gloves at all times. Hair should be secured to prevent possible accidents. KEARNEY T-Shirts are issued and must be worn on the job site. No rings, necklaces or other jewelry should be worn.

Office employees are permitted to wear “casual” attire, but this does not mean sloppy or unprofessional dress or appearance that is inappropriate. Attire should be neat and clean.

All employees are responsible for the cleanliness and neatness of their work area or site and common areas such as the site trailers, lunchrooms, and conference rooms.

Smoking

KEARNEY has determined that the creation of a smoke-free environment is in the best interests of its business operations and most of its employees. Smoking is not allowed on KEARNEY property except in a designated smoking area outside the warehouse within a gated-yard area. Employees who smoke in this area should maintain its cleanliness. Smoking is not permitted in company-owned vehicles.

Resolving Workplace Problems

KEARNEY encourages its employees to communicate about workplace problems. If you are having a problem with a fellow employee, we encourage you to talk directly to the person involved and to do so promptly. You should explain what the problem is from your point of view and be prepared to listen to the other person’s point of view. If you cannot resolve the problem with the person involved, or you feel uncomfortable in attempting to do so, you may raise the problem with your supervisor or Human Resources.

If you have a problem related to your work team, you should raise that problem at regularly scheduled team meetings. Perhaps the problem can be resolved by the team. If not, or if you feel uncomfortable in raising the problem with the team, you may raise it with your supervisor or Human Resources. If the problem concerns or affects people or issues outside the team, the team should designate a representative to bring the problem to the attention of Human Resources.

Performance Reviews and Discipline

Generally, KEARNEY conducts performance reviews for employees yearly.

We do not believe it is necessary to provide our employees with a list of workplace conduct that can result in discipline. A few issues are mentioned in this handbook. Obviously, there are all sorts of conduct that can result in disciplinary action, up to and including discharge.

We hope that the majority of our employment relationships involve no formal discipline of any kind. In the event that management believes formal discipline is called for, such discipline may involve verbal warnings, written warnings, suspensions or termination of employment. KEARNEY follows no prescribed progressive discipline policies. The degree of discipline imposed is dictated by the unique circumstances presented by each situation.

Workplace Violence

KEARNEY has a zero-tolerance policy with respect to workplace violence or the threat of such violence. The possession of firearms, weapons and other dangerous or hazardous devices and/or substances on KEARNEY premises or job sites or while conducting KEARNEY business is strictly prohibited. Any sort of physical altercation, or the threat of physical altercation, is likewise prohibited. Employees who cannot treat their fellow employees (and all those with whom they have contact in the course of their work for KEARNEY) with courtesy and respect cannot work at KEARNEY.

At Will Employment

Your employment with Kearney is “at will”. This means that either you or Kearney can terminate the employment relationship at any time, with or without notice or cause. Nothing contained in this handbook, nor any oral representations of anyone associated with Kearney, shall alter the at-will nature of the employment relationship. The at-will nature of the employment relationship can be altered only by a written agreement signed by you and an authorized Kearney representative explicitly stating that you and the Company are agreeing to alter the at-will nature of the employment relationship.

SECTION 3

GENERAL SAFETY STATEMENT

Safety is a top priority at KEARNEY. All KEARNEY employees must undergo safety orientation and training. A special Safety Handbook is given to all employees on the day they are hired to read and follow. In addition, the Company has formed a Safety Team composed of employees from various departments whose mission is to educate employees in safe work practices throughout KEARNEY.

As a KEARNEY employee, you have a responsibility to observe safe work practices in all you do. No KEARNEY employee is required or expected to work in unsafe conditions. If you believe you are aware of an unsafe condition or practice at KEARNEY, or if you believe any Company property appears to be damaged, defective, in need of repair or for any reason unsafe, you should notify your supervisor.

If an injury or other safety-related incident occurs in the workplace, on the job site or otherwise in connection with KEARNEY business, you should immediately report that injury or incident to your field manager, lead, or appropriate supervisor. In the event of an emergency, you should call 911 immediately. No employee should transport another person to a health-care facility or anywhere else without direction from the supervisor.

There may be specific safety-related rules applicable to your position. If you have any questions about those rules or any other safety-related issues, contact your supervisor or bring them to the attention of the Safety Team.

SECTION 4

DRUG AND ALCOHOL POLICY

Policy Overview

KEARNEY is committed to maintaining a safe and healthy workplace. Consistent with this commitment, KEARNEY expects its employees to report to work in the proper condition to perform their duties. The purpose of this policy is to prevent drugs and alcohol from threatening the safety and efficiency of KEARNEY's employees and operations.

Statement of Policy

The possession, use, sale or distribution of alcohol on KEARNEY property or during working hours is not permitted. Working with levels of alcohol that can be detected in your system is not permitted.

The possession, use, sale or distribution of illegal drugs on KEARNEY property or client sites at any time is not permitted. Working with detectable levels of illegal drugs in your system is not permitted. "Illegal drugs" are drugs that either are not legally obtainable or are legally obtainable but have not been legally obtained (this includes prescription medications prescribed for someone else).

The use of legally obtained drugs (whether over the counter or prescription) that creates possible interference with the acceptable and safe performance of your duties is not permitted.

Circumstances When Testing May Be Required

Pre-employment

Prospective employees will be required to take a drug and alcohol test within 24 hours of receipt of a conditional employment offer from KEARNEY.

Random

KEARNEY reserves the right to conduct random drug and alcohol testing of all compensated employees. Random testing will be unannounced. Employees randomly selected for testing will be required to submit to such testing within one hour of their receipt of notification of selection.

For Cause

Drug and alcohol testing may be required of any compensated employee in the event of irrational or unusual behavior; reporting to or remaining at work in an apparently unfit condition; involvement in a work-related accident where the Company reasonably believes the employee

may have contributed to the accident; possession of alcohol, illegal drugs or drug paraphernalia; or KEARNEY's reasonable belief that that an employee may be affected by the use of drugs or alcohol. Any employee required to submit to for-cause testing will be required to do so within one hour of their receipt of notification that testing is required or, in the case of post-accident testing, as soon as may be practicable.

Results from Testing

Positive initial tests will be subjected to a second level of confirmation testing. Only tests that are positive at both the initial and confirmation levels of testing will be deemed positive for purposes of this policy.

All positive test results are reviewed by an independent medical review officer (MRO). A Medical Review Officer (MRO) is a medical doctor that is an independent consultant that is hired by the testing facility. The MRO will review positive test results with the employee. During that review, the employee may offer an explanation of the positive test results the employee deems appropriate or relevant. If the MRO is unable to contact the employee within a 72-hour period, the results are reported as positive.

Upon request, an employee or applicant may obtain a copy of written positive test results.

Consequences of Positive Test Results or Refusal to Submit to Testing

In most circumstances, an applicant who tests positive for drugs or alcohol will have his or her offer withdrawn. In most circumstances, an employee who tests positive for drugs or alcohol will have his or her employment terminated.

Refusal by an employee or applicant to submit to or cooperate fully with the administration of a drug and alcohol test will result in discharge of the employee or disqualification of the applicant. Refusal is defined as (1) refusing to provide breath, urine or other specimens as may be required; (2) refusing to be tested at the appointed time; (3) tampering with or adulterating specimens; (4) refusing to provide required authorizations or signatures or in any way refusing to cooperate with required testing.

Confidentiality of Test Results

KEARNEY will afford reasonable confidentiality to test results as may be consistent with the needs of the Company's operations and business and the need to have the results of tests and the consequences of those results reviewed and considered by those individuals deemed appropriate by the Company.

SECTION 5

TECHNOLOGY POLICIES

Use of Computers, E-mail and the Internet

KEARNEY provides many of its employees with computer equipment, licensed software, Internet access and e-mail capabilities. If you have access to such resources, our general rules are that you should use those resources responsibly only as authorized and for the purposes of lawful KEARNEY business.

Personal use of the Internet and e-mail via KEARNEY-provided resources is subject to all of the restrictions discussed in this Technology Policy including the following:

- it must be strictly limited and can never interfere with your ability to perform your work or occupy significant periods of time for which you are being compensated
- it must be lawful and otherwise appropriate to the workplace
- it must not involve downloading illicit, illegal or inappropriate material
- it must not be undertaken pursuant to a pass code that is not known to the company
- it must comply in all other ways with the entirety of this Section

Software

KEARNEY frequently purchases licenses to utilize certain software. If the software is licensed, we do not own it, and we may not have the right to use it on more than one computer. In addition, copied or downloaded software files may contain viruses. Under no circumstances should you utilize KEARNEY technology resources to copy or download software without first consulting the Company's Information Technology Department or the OMT.

E-Mail

In addition to the general rules in the first paragraph of this Section, employees should observe the following rules with respect to e-mail:

- Do not send messages that violate any of Kearney's policies, including Kearney's equal employment opportunity policy and policy against harassment (see below) and Kearney's policy regarding confidentiality of information.
- Do not send messages that are defamatory (messages that falsely portray another person or entity are potentially defamatory), obscene or offensive.
- Do not send messages to third parties that disparage the quality of Kearney's services or products.
- Do not access, or in any way utilize, non-Kearney e-mail accounts (e.g., Hotmail, Yahoo, Gmail, etc.) in connection with Kearney business or utilizing Kearney technology

resources. This includes a prohibition on copying or forwarding business-related e-mails to a personally maintained e-mail account.

- Save only important e-mail that you might need to review in the future. Otherwise, delete your e-mail and regularly clear your “Deleted Items” folder.
- Remember that your e-mails may be read by someone other than the person to whom they are sent.
- Assume that a permanent record is being made of every e-mail you send.

Blogging

Blogging is becoming an increasingly popular activity. Kearney takes no position regarding how you spend your non-work time, including whether you engage in blogging. Kearney does, however, have an important interest in regulating any blogging you might do during the time for which you are compensated by Kearney, that has to do with Kearney or Kearney’s business, or that utilizes Kearney-owned technology resources. Accordingly, in addition to the rules set forth in the first section of this Technology Policy, you should observe the following rules if you decide to blog:

- Do not post statements or messages that violate any of Kearney’s policies, including Kearney’s equal employment opportunity policy and policy against harassment (see below) and Kearney’s policy regarding confidentiality of information.
- Do not post statements or messages that disparage the quality of Kearney’s services or products.
- Assume that a permanent record is being made of every e-mail you send.

Please note that when you choose to go public with your viewpoints via a blog, you are legally responsible for your commentary. In short, you blog at your own risk.

Equal Employment Opportunity Issues

KEARNEY’s equal opportunity policy and policy against harassment apply fully to use of the Company’s technology resources. E-mail messages or images that contain sexual content or that could be deemed discriminating or harassing on any basis are prohibited. Using the Internet to access or download pornographic or sexually explicit images or sites, or sending or receiving e-mails with such images attached, is prohibited.

KEARNEY Property and Waiver of Privacy Expectations

All computer equipment and other technological resources provided by KEARNEY and all information stored in any way on or utilizing KEARNEY’s technology resources (including, without limitation, the content of your Outlook program and its e-mail function) is the property of the Company. Employees are prohibited from transferring or copying any Company information to any personally owned computers or other technological resources without prior written approval

from a Leadership Team member. All such information must remain on the KEARNEY-controlled computer system. In addition, you should not store any personal information within Outlook or elsewhere on your computer if you would expect to take that information with you upon termination of employment. All such information, once stored on a KEARNEY computer, is the property of KEARNEY.

KEARNEY has important business interests in being able to control the use of its computer equipment and other technological resources. Therefore, in addition to being KEARNEY property, all information stored on the Company's computers is subject to review by the Company at any time. KEARNEY explicitly reserves the right to monitor all information transmitted by, received from, accessed by or stored in its computer system or utilizing its technological resources. You should have no expectation of privacy with respect to any such information or any information stored on your personally owned computer if you have transferred or copied any Company information to such a computer.

Please understand that e-mail messages are automatically stored on KEARNEY's backup system. Deleting those messages from your computer does not prevent KEARNEY from retrieving and reviewing them. In addition, the Company can (and periodically will) monitor, record, and/or block Internet usage and file transfers into and out of the KEARNEY network.

If you discover any material on KEARNEY's computer system or uses of KEARNEY's computers or other technology resources that you believe might be unauthorized or constitute a violation of this policy, notify your supervisor, the Information Technology Department.

Telephone Use

KEARNEY telephones (both land line and cellular) are intended for KEARNEY business. Using telephones for personal business should not be excessive and should never interfere with the performance of your duties. Please use reasonable judgment.

KEARNEY telephones, provided at Kearney expense, are Kearney property and may not be taken upon termination of employment. In addition, individual telephone numbers assigned to such telephones belong to Kearney and not individual employees.

Under no circumstances should a KEARNEY employee use a cell phone or other communications device while operating a motor vehicle, operating equipment, or doing anything else on behalf of KEARNEY that requires full and complete attention to be done safely.

No Solicitation or Distribution

Employees are not permitted to distribute literature of any kind or to solicit for any purpose on Company, customer, or vendor premises during work hours. Work hours are those hours during which employees are on duty. This excludes breaks, mealtimes or other periods during the wkday when employees are not engaged in performing their work.

SECTION 6

COMPANY VEHICLE POLICY

Company Vehicles and Equipment

KEARNEY owns, rents, or leases a variety of vehicles and equipment. When you are using such vehicles and equipment, you are expected to use them only with the approval of your supervisor and only for their intended purpose during working hours. You are expected to exercise care, maintain a clean, smoke-free vehicle, and follow all operating instructions, safety standards and guidelines. If you are operating a vehicle, you must have a current, valid driver's license for the type of vehicle in question. You must also be approved to drive the vehicle by the Company's insurance carrier.



Seat belts must be worn at all times!

Employees who drive their personal vehicles while on Company business do so at their own risk. KEARNEY will not be responsible for any damage to such vehicles or for any other costs or liabilities incurred by the employee as a result of an accident.

SECTION 7

ADMINISTRATIVE MATTERS AND COMPENSATION

Personnel Files and Record Changes

To help us keep employment records and benefit-program information accurate, please notify the Human Resources Department of any changes to your personal information. This includes changes to your mailing address, telephone numbers, marital status, dependents and other possibly relevant information. Personnel files are the property of KEARNEY. They may not be copied or removed from Company premises.

The Workday and Week

Normal office hours are from 7:30 a.m. to 4:30 p.m. Your precise schedule will depend on a number of factors and will be set by your supervisor.

Normal job-site hours are from 7 a.m. to 3:30 p.m. with one-half hour for lunch. Again, the schedule may vary by job site and in accordance with various other factors.

KEARNEY's work week runs from Monday through Sunday with Friday as payday for the previous week's work.

Employment Classifications

You are either classified as exempt or non-exempt under federal wage and hour law. If you are exempt, the overtime provisions of federal law do not apply to you and generally your base compensation is fixed without regard to the hours actually worked. If you are non-exempt, you are paid for all the hours actually worked, and you will receive additional pay (1.5 times your normal hourly rate) for all the hours over 40 worked in a particular work week. If you have any questions regarding whether you are exempt or non-exempt, please contact the Human Resources Department.

Regular full-time employees are eligible for various benefits at KEARNEY (see Section 10). If you have questions about your eligibility for benefits, please contact the Human Resources Department.

Timekeeping For Non-Exempt Employees

Electric or printed timecards are kept for all non-exempt employees and must reflect all the hours actually worked for that week. “Hours worked” means all time spent performing your duties as a KEARNEY employee. Meal periods and time spent away from work for personal reasons do not count as time worked. Falsification of time records is a serious offense.

Overtime

Generally, non-exempt employees will work according to schedules set by their supervisors. Staffing needs and operational demands may necessitate variations in total hours worked. Overtime, defined as all hours worked in excess of 40 in any given work week, may be required.

Any paid time off work is counted for purposes of determining whether overtime pay is due. We apply paid holiday and PTO as if you have worked.

KEARNEY must be able to predict and control the costs of doing business. Accordingly, non-exempt employees should only work overtime when directed to do so by their supervisor. If for any reason you believe you will have to work more than 40 hours in a week and you have not been told to do so by your supervisor, you should raise the issue with your supervisor or, if your supervisor is unavailable, the Human Resources Department.

Paydays

Paydays are weekly (every Friday – for the previous week’s work). Direct deposit of your paychecks is available. If you want your paychecks directly deposited into your bank account, (after 90 days of employment) contact the Accounting Department.

Business Expense and Travel - Overview

This policy applies to all Kearney employees. Kearney reimburses reasonable, ordinary, and necessary expenses incurred by employees while conducting authorized business. At the same time, the Company expects its employees to be prudent with its funds and to account for their use of Company funds. This policy establishes requirements for the documentation and approval for reimbursement of expenses and purchases incurred by employees while conducting authorized business.

These procedures are not all-inclusive and do not attempt to provide a complete listing of all appropriate reimbursable or non-reimbursable expenses. The spirit and intent of this Policy must be applied to circumstances not specifically addressed. When specific guidelines are not stated, employees are asked to adhere to the basic principle of prudence in the use of Company resources and to exercise sound business judgment. Generally, the highest-level employee present must incur the expense and submit it to his or her supervisor for approval.

Individual divisions may have more stringent controls, limits, or requirements. When reviewing a business purchase or expense reimbursement request, managers should exercise the same standard of care as they would when they are reviewing a vendor invoice.

The Company assumes no obligation to reimburse employees for unauthorized expenses incurred contrary to this Policy. Violations of the Policy may result in disciplinary action, up to and including termination of employment.

Business Expense Reimbursement and Travel – Company Credit Card

Based on business need and job duties within the Company, Kearney employees are provided with a company credit card for the purpose of charging business-related expenses. All charges on the card will be billed directly to and paid directly by the company. All returns of purchases under the card must be credited directly back to the card. No cash advances are allowed.

If an employee is assigned a company credit card, an employee must sign the “Employee Agreement to Accept a Kearney Company Credit Card” form, begin using an issued Kearney corporate credit card for all travel and expenses incurred for business, and abide by the terms of the agreement.

If an Employee is not assigned a company credit card, expenses must be paid with personal funds and then request reimbursement for the allowable expenses using appropriate backup documentation on an expense report.

Kearney will hold the employee personally responsible for personal or unauthorized charges on Company cards or charges for non-payment late fees due to the employee not submitting their expenses and backup in a timely manner.

Business Expense Report – Responsibility

Regardless of whether a company credit card is provided, all employees are required to submit expense reports for all their expenses. It is a requirement to submit and approve expense reports in a timely manner. Verifying that business purchases comply with this Policy and are for authorized, bona fide business purposes is the responsibility of the employee submitting the expense report and the manager reviewing such request. The Company assumes no obligation to pay for unauthorized purchases or expenses incurred contrary to this Policy.

The filing of a Business Expense Report containing fraudulent expense data may result in disciplinary action up to and including termination of employment and legal action.

In certifying the business expense report, the employee ensures that the:

- goods and/or services were received as ordered (packing slip, photo of item on site, or other means of proof should be obtained using sound business judgement)

- expenses were incurred on behalf of the Company and were for Company use only
- expenses were not previously paid or credited
- expenses are classified under the proper accounts
- proper documentation is submitted with the business expense request
- invoice(s) or receipt(s) reflect the actual cost of goods or services

An expense report Approver is responsible for ensuring that the requirements for payment of the expense have been met:

- accuracy and completeness of all accounting and other data provided and authorized under their signature
- goods and services have been received (packing slip, photo of item on site, or other means of proof should be provided with documentation)
- expenses and/or purchases were incurred per the requirements of this Policy and are appropriate for reimbursement
- the required approval for all business expenses and purchases is at least one level higher than the person incurring or certifying the expense
- approvals must be made by managers of the appropriate division charged

As good practice, all business expense reimbursement requests should be submitted weekly. Reconciliation with the company credit card will be smoother if expense reports continue to be processed on a weekly basis. Regardless, for all charges to the company credit card, the request for reimbursement must be submitted within 30 days after the expense is incurred, or within 5 days of receipt of the statement reflecting the charge, whichever is sooner. Failure to submit timely reimbursement requests which result in late fees from the company credit card provider will be an employee's personal responsibility.

Business Expense Report – Documentation and Receipts

You are empowered as the responsible agent for the company to safeguard its assets and those of our clients. You have the expectation to be prudent with the company funds and to account for their use with appropriate documentation.

Documentation requirements are the same for both Company expenses and purchases made on behalf of our property and/or clients. Purchases made for jobs will be coded to them, and additional information on what job to bill for and the related cost code will be needed for each purchase in order to process billing to the jobs.

When submitting payment requests, the following documentation must be submitted and received prior to reimbursement:

- Purchases of Items – itemized receipt along with packing slip, photo of item on site, or other means of proof should be provided with documentation. Itemized receipts must include the name of the vendor, date, dollar amount and the items purchased.

- For Billable purchases – The job name and number are needed on each purchase that is billable as well as the cost code.
- Returns – Itemized receipt, against the original form of payment. All returns and refunds must be made on the same credit card used when the original purchase was made. No cash returns or credits given to other credit cards are allowed.
- Passenger receipt (air, rail ticket, e-ticket, invoice/itinerary or detailed credit card receipt), including the name of the traveler and amount of the airfare.
- Hotel - itemized hotel statement with lodging expenses shown separately from other reimbursable expenses such as meals, parking, internet access, business center expenses, etc. When you submit your hotel expenses for reimbursement, it is important that you not aggregate these expenses together as 'hotel expenses.' Each category of expense (e.g., parking, internet access, meals) must be reported separately.
- Car Rental - car company rental receipt
- Other corporate travel expenses – itemized receipt

For audit purposes, employees are required to retain receipts for all expenses (including those under \$50) for one year from the date reimbursement is requested. Where receipts are lost or stolen, reimbursement requires a memo signed by your supervisor describing purchases in detail and a credit card statement where applicable.

The business purpose of all expenses and items purchased must be documented for all payment or reimbursement requests. The explanation must contain sufficient information for a reviewer or approver to understand the business purpose of the expense.

When meal and entertainment expenses are incurred, the employee must document the place where the meal or entertainment took place, the persons at the meal or entertained, together with their titles and business affiliations, and the business purpose of the meal or entertainment. Personal or group lunches are not reimbursable by the company unless there is a bona fide business reason. For meals taken to job sites to be shared with field employees, it is appropriate to charge the job. All other business meals should not be charged to jobs but rather to employees' division and coded as meal expense.

Business Expense Reports – Payment of Expense Reimbursement

The Accounting Department will review expense reports for proper coding and approval and will monitor employee activity for compliance with this Policy. Verifying that expenses comply with this Policy and are authorized, bona fide business purposes are the responsibility of the person submitting the expense and the person approving the expense. Payment is not validation or approval of the expenditure.

If you are issued a company credit card, then all expenses you incur must be put on the card, other than miscellaneous out of pocket expenses such as cash tips, mileage, cell phone reimbursement, etc.

For out-of-pocket expenses such as cash expenses, mileage, and those without a company provided credit card, the company will reimburse the employee following receipt of required supporting documentation and approval for reimbursement. All expenses on the company credit card are paid by Kearney directly to the bank issuing the credit card and not to the employee. The only reimbursements an employee with a company card would receive are for minor expenses like cash items (tips), etc.

Reimbursements will be made via direct deposit to the employee's designated account or by check mailed to the employee's home address. Payment will be made generally within two weeks of submission of an approved expense.

Business Expense Reimbursement and Travel – Travel

As a general rule, the lowest, most cost-efficient means of transportation should be used for company travel.

Airline travel - All employees are expected to travel economy or main class, using the lowest logical airfares available. Employees will not be reimbursed for seating above main class without written approval from your manager. Lower airfares are available with advance booking. Employees should make every effort to book their travel at least 15 days in advance.

Rental cars - If a rental car is required, choose a rental car size/class that is most appropriate for the business need. That is, for one traveler, an intermediate-sized car is considered the most appropriate. For five travelers, a minivan or a SUV may be more appropriate. Luxury and Premium types should be avoided unless approved by your manager.

The use of personal vehicles for business will be reimbursed at a mileage reimbursement rate set periodically by the Company. This mileage allowance covers all auto costs (e.g., gasoline, repairs, insurance) other than parking and tolls. The total cost for use of a personal car on a business trip is limited to the economy airfare for the same destination(s).

Business Expense Reimbursement and Travel – Meals and Entertainment

Kearney will reimburse an employee for meal expenses incurred when an employee is away from home overnight on Company business, under these general guidelines:

- Breakfast \$15.00
- Lunch \$20.00
- Dinner \$40.00
- Tips 20%

Note: Meals and entertainment incurred to entertain clients or employees are limited to \$250 per month without prior authorization. This includes lunch/dinner meetings with clients and/or employees, golf, tickets, etc. You are expected to use sound judgment in keeping the cost of meals and/or entertainment moderate and be prudent with the use of the Company's funds.

Termination of Employment

If your employment with KEARNEY terminates for any reason, you must return all KEARNEY property and submit any expense reports no later than your last day of employment. Failure to return property might result in delay of your final paycheck.

SECTION 7

BENEFITS

401(k) Savings and Profit-Sharing Plan

KEARNEY offers a 401(k) savings plan to help eligible employees save for the future; it is a tax-deferred retirement plan funded principally through payroll deductions. Full-time employees are eligible to participate after six months of employment. If you are eligible to participate, you may choose how much you wish to contribute up to annual limits set by federal law and you may decide how your account should be invested from a range of funds with varying degrees of risk.

KEARNEY adds a matching amount to each employee's 401(k) contribution – currently set at 10% of every dollar the employee contributes. Therefore, if you contribute \$100 per month to the plan, KEARNEY will add an additional \$10 per month. You are 100% always vested in your own contributions.

After six months of employment, you are enrolled in KEARNEY's Profit Sharing Plan. Annually the Company makes contributions to your profit-sharing account based on Company performance. You vest in the Company's contributions over a period of time. After five years, you will be 100% vested.

While the statements contained in this handbook are intended to be consistent with the documents that control KEARNEY's 401(k) savings and profit-sharing plan, the plan documents control in the event of any inconsistency. If you intend to be or are a participant in KEARNEY's 401(k) savings and profit-sharing plan, make sure you have a copy of the Summary Plan Description. Copies are available from the Human Resources Department.

Paid Time Off (PTO)

Kearney provides paid time off (PTO) to eligible employees. PTO is an all-purpose time off. It combines traditional vacation and sick leave and may be used for any purpose you deem necessary or desirable, including vacation, illness, injury, or personal business.

Amount of PTO

In compliance with Prop #206 all new employees are advanced 40 hours of PTO after 90 days of employment. Any future additional PTO will be awarded on your anniversary date.

- Field personnel will be awarded 5 days of PTO on your first anniversary, 7 days on your second anniversary and then one additional day per year until you reach 10 days of PTO on your fifth anniversary and thereafter.
- All other employees will receive 5 days of PTO on your first anniversary and 10 days of PTO on your second anniversary and thereafter.

- All managers will receive 11 days of PTO on their fifth anniversary and one additional day on each subsequent anniversary until reaching 15 days on your ninth anniversary and thereafter. At Company's discretion, other positions may be eligible for a maximum of 15 days of PTO.
- You will be able to roll 40 hours of unused PTO on your anniversary date to the next year.

PTO days may be taken in ½ hour increments.

If your employment terminates, earned and unused PTO is paid as follows:

1. For Field employees, earned and unused PTO is paid out to employees who leave in good standing.
2. For Office employees, earned and unused PTO is paid out at the Company's discretion.

PTO Requests

PTO may not be taken without the approval of your immediate supervisor. All PTO requests should be submitted to your supervisor, as much in advance of the proposed PTO, as possible. Final approval and scheduling of PTO rests with your supervisor. While KEARNEY tries to honor reasonable requests for PTO, it may not be able to do so, considering other PTO requests and/or operational demands. You should not assume that all your requests for PTO will be granted as proposed, particularly around holidays.

If you need to use PTO for unexpected reasons such as illness, you must follow the reporting requirements in this handbook.

Compensation

PTO days will be compensated at your regular base rate of pay. Non-exempt employees will be paid for the number of hours they work on a regular workday.

Holidays

KEARNEY recognizes the following seven holidays:

- New Year's Day
- Memorial Day
- Fourth of July
- Labor Day
- Thanksgiving
- Day after Thanksgiving
- Christmas Day

If you work full time and fall into one of the following categories, you are eligible immediately for paid holidays:

- Salaried employees
- Hourly office employees
- Administrative staff assigned to job sites
- Field managers
- Leadmen
- Service Technicians

All other full-time KEARNEY employees are eligible for paid holidays after one year of employment.

Family and Medical Leave Act Benefits

The Family and Medical Leave Act of 1993 (FMLA) gives eligible employees the right to take unpaid leave for up to 12 weeks within a 12-month period of time because of certain family and medical events. If you have been employed by KEARNEY for at least 12 months and you have worked at least 1,250 hours during the 12-month period preceding the leave you are eligible for family and medical leave.

Qualifying Circumstances

If eligible, you will be granted FMLA leave upon request (i) for the birth of a son or daughter, and to care for the newborn child; (ii) for the placement with you of a child for adoption or foster care; (iii) to care for your spouse, son or daughter (under age 18 or older if incapable of self-care because of mental or physical disability) or parent with a serious health condition; or (iv) because you have a serious health condition that makes you unable to perform the functions of your job.



A “serious health condition” is an illness, injury, impairment or physical or mental condition that involves one of the following:

- Inpatient care: in a hospital, hospice or residential medical care facility, including any period of incapacity or subsequent treatment in connection with or consequent to such inpatient care.
- Absence plus treatment: a period of incapacity of more than three consecutive calendar days (including any subsequent treatment or period of incapacity relating to the same condition) that also involves continuing treatment by a health care provider.
- Pregnancy: any period of incapacity due to pregnancy or for prenatal care.
- Chronic condition requiring treatments: one that (a) requires periodic visits for treatment by a health care provider, or by a nurse or physician’s assistant under direct supervision of a health care provider; (b) continues over an extended period of time (including recurring episodes of a single underlying condition); and (c) may cause episodic rather than a continuing period of incapacity.
- Permanent/long-term conditions requiring supervision: a period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective and for which the individual is under the continuing supervision of a health care provider.
- Multiple treatment (non-chronic conditions): any period of absence to receive multiple treatments (including any period of recovery) by a health care provider either for restorative surgery after an accident or other injury or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical intervention or treatment.

Request for Leave

If you are eligible for and desire FMLA leave, you need to notify your supervisor and/or the Human Resources Department at least 30 days prior to the effective date of the leave. If the leave is an emergency and/or 30 days' notice is not possible, then notice should be given as soon as possible.

Medical Certification

For leave due to serious health conditions, medical certification of the need for the leave must be provided within 15 calendar days after it is requested, or as soon as possible. The Company may require, at its expense, that you obtain the opinion of a second health care provider selected by the Company. If the two medical opinions conflict the Company may require a third opinion. The Company may also request that you provide, on a periodic basis, medical evidence establishing the necessity for continued leave. If you do not provide medical certification, or periodic medical evidence establishing the necessity for continued leave or refuse to obtain the opinion of a second or third health care provider, the leave of absence may not be approved or may be canceled. Where leave is caused by your own serious health condition, medical certification that you can return to work will be required.

Length of Leave and Use of PTO

If you are eligible, you may take up to 12 work weeks of leave in any 12-month period measured backward from the date leave is first used. You must use available PTO as part of the FMLA leave time. When your PTO is exhausted, the leave becomes unpaid.

When verified by supporting medical evidence, leave may be taken on an intermittent (non-consecutive workday), reduced workday or reduced work week basis.

Benefits During Leave

While on leave, you will be allowed to continue with applicable health and benefit plans provided that any normally required employee contributions are made during the period of leave. If you do not return to work at the conclusion of the leave, you may be required to reimburse KEARNEY for the cost of continued health care coverage (as allowed by the FMLA) during any unpaid portion of the leave (excluding the administration costs allowed for by COBRA).

Transfers

Where leave is taken intermittently, on a reduced workday or reduced work week schedule (see above), KEARNEY may transfer you on a temporary basis to an alternate position. that provides equivalent pay and benefits and that better accommodates the intermittent, reduced workday or reduced work week schedule than your regular position.

Return to Work

Upon completion of FMLA leave, you will be reinstated to the position you held at the time your leave began or to an equivalent position with equivalent pay, benefits and other terms and conditions of employment. As your return date nears, you must contact your supervisor and the Human Resources Department to discuss details concerning that return. You must contact them at least 2 days prior to your anticipated date of return.

Key Employees

A key employee is a salaried employee who is among the highest paid 10% of all employees employed within 75 miles of the employee's work site. Key employees may be denied restoration to work following leave if such restoration would cause substantial and grievous economic injury to KEARNEY.

If you have any questions about this FMLA policy, please contact the Human Resources Department.

Jury and Witness Duty

If you receive a summons or subpoena requiring you to report for possible jury duty or appear as a witness, provide your supervisor with a copy as soon as possible so arrangements can be made to accommodate your possible absence or efforts can be made to change the schedule for your service if such service would cause you or KEARNEY hardship.

Military Leave

KEARNEY complies in all ways with the Uniformed Services Employment and Reemployment Act. You must give your supervisor advance notice of upcoming military service unless military necessity prevents such notice, or such notice is otherwise impossible or unreasonable. If you are in the uniformed services and believe that a military leave of absence is possible, see the Human Resources Department for details concerning the nature and limitations of such leave.



Workers' Compensation

KEARNEY provides a comprehensive workers' compensation insurance program at no cost to employees. The program is designed to cover work-related injuries or illnesses.

If you are injured in the course of your work for KEARNEY (without regard to whether the injury was sustained on KEARNEY premises) or believe you have some sort of work-related illness or condition, you must immediately report the matter. You may qualify for workers' compensation coverage and treatment through KEARNEY's designated medical provider.

Under most circumstances, an employee returning from workers' compensation leave who submits medical certification of ability to return to work will be reinstated to the same position or a position similar to that which the employee held prior to the leave. An employee returning from workers' compensation leaves, however, has no greater right to a position than the right employee would have had in the absence of a leave. For example, if an employee on workers' compensation leave is laid off and would have been laid off had there been no leave, that employee has no entitlement to reinstatement. Failure to return to work after being medically released to return will be deemed a voluntary resignation.

Under no circumstances will KEARNEY discriminate or retaliate against an employee for requesting or taking a workers' compensation leave. If you have any questions about KEARNEY's workers' compensation program, please contact the Human Resources Department.

Insurance Benefits

KEARNEY provides medical, dental and life insurance benefits to eligible employees. For details concerning eligibility and the benefits provided, contact the Human Resources Department.

The Company maintains an IRS approved Section 125 – Cafeteria Plan which allows employees who meet participation requirements to receive qualified benefits which are deductions on a before tax basis. These deductions reduce your taxable income and therefore are not subject to social Security and Income tax. Types of deductions available tax free are:



- Health insurance
- Dental insurance
- Life insurance
- Disability insurance
- Medical costs not covered by insurance
- Childcare

For additional information regarding participation, contact the Bookkeeper.

Benefits Continuation (COBRA)

The federal Consolidated Omnibus Reconciliation Act (COBRA) gives eligible employees and their qualified beneficiaries the opportunity to continue certain insurance coverage when an event occurs that normally would result in the loss of eligibility (e.g., loss of employment, reduction in hours, etc.). Under COBRA, you pay the full cost of coverage at KEARNEY's group rates plus an administration fee. If you have any questions about COBRA coverage, contact the Human Resources Department.