

January 2020

EMPLOYEE HANDBOOK



A Woman Owned Small Business

Effective Date

This revision, of the employee handbook is effective January 2020. This version supersedes all previously issued versions

Employee Handbooks

While an employer is not required by law to have an employee handbook, in most cases, it is recommended. An employee handbook provides a centralized, complete and certain record of the employer's policies and procedures. An employee handbook also provides more convenient access by employees and managers.



EMPLOYEE HANDBOOK

Table of Contents

<i>TABLE OF CONTENTS</i>	2
<i>INTRODUCTION</i>	4
<i>EQUAL EMPLOYMENT OPPORTUNITY</i>	4
<i>AT-WILL EMPLOYMENT POLICY</i>	4
<i>CHAIN OF COMMAND POLICY</i>	4
<i>OPEN-DOOR POLICY</i>	4
<i>HIRING AGREEMENT/OFFER LETTER</i>	5
<i>EMPLOYMENT CLASSIFICATION</i>	5
<i>PAY PERIODS</i>	6
<i>TIMESHEET SUBMITTAL</i>	6
<i>EMPLOYEE PAY CONFIDENTIALITY</i>	7
<i>STEEL TOE BOOT REIMBURSEMENT POLICY</i>	7
<i>BUSINESS ETHICS</i>	8
<i>GOSSIP</i>	9
<i>ANTI-HARASSMENT POLICY</i>	9
<i>SEXUAL HARASSMENT</i>	9
<i>HUMAN TRAFFICKING POLICY (U.S. GOVERNMENT CONTRACTS ONLY)</i>	11
<i>VIOLENCE OR THREATENING BEHAVIOR</i>	13
<i>WEAPONS POLICY</i>	13
<i>SICK TIME POLICY</i>	14
<i>ABSENTEEISM AND TARDINESS</i>	15
<i>EMPLOYMENT TERMINATIONS</i>	16
<i>DRUG FREE WORKPLACE</i>	16
<i>BENEFIT PACKAGE</i>	17
<i>VACATION</i>	17
<i>HOLIDAYS</i>	18
<i>LEAVES OF ABSENCE</i>	20
<i>OTHER TIME OFF</i>	20
<i>TRAINING</i>	21



EMPLOYEE HANDBOOK

WORKERS COMPENSATION..... 21

SAFETY 22

BUSINESS TRAVEL..... 22

AUTOMOBILE USAGE 23

PROPERTY AND EQUIPMENT..... 23

EMPLOYMENT VERIFICATION AND REFERRAL REQUESTS..... 23

MEDIA CONTACTS..... 23

CORPORATE CONFIDENTIALITY 23

EMPLOYMENT RECORDS..... 23

FUTURE POLICY AND PROCEDURES CHANGES..... 24

REGULAR SALARY EMPLOYEE ADDENDUM **265**

TUITION REIMBURSEMENT FOR REGULAR SALARIED EMPLOYEES 26

REGULAR HOURLY EMPLOYEE ADDENDUM **287**

HIRING 28

HOURLY RATE DETERMINATION..... 28

PROJECT CLOSURE/SHUT DOWN EFFECTING REGULAR HOURLY EMPLOYEES..... 28

EMPLOYEE ACKNOWLEDGEMENT FORM.....**30**



EMPLOYEE HANDBOOK

INTRODUCTION

In January 2020 the ownership structure of our company changed. AVESI is now a 100% woman-owned small business. The name of our new business is AVESI, Inc. – no acronym just a stand-alone word. Together we will lean on our historical experience yet chart a new path in government consulting work.

This manual is provided to all AVESI employees in order to clearly outline company policies, expectations and benefits. The term “Company” used herein refers to AVESI, Inc. Addendums have been added to clarify differences between hourly employees and salaried employees where they exist.

All employees are bound to the policies in this document and are requested to sign the signature page each year to acknowledge that they understand the policies set forth by this document.

EQUAL EMPLOYMENT OPPORTUNITY

AVESI is an Equal Opportunity Employer. We offer employment opportunity based on job qualifications, regardless of race, color, national origin, sex, age, veteran's status, religion, or disability.

AT-WILL EMPLOYMENT POLICY

AVESI follows an "Employment-at-Will" doctrine. This means that both the employee and employer can end the employment relationship at any time and for any reason, as long as it is not considered discrimination under the law.

CHAIN OF COMMAND POLICY

AVESI has established a chain of command and each employee is required to respect and utilize that chain of command for any issues and concerns. This means immediate supervisors on location must be contacted prior to raising an issue up the chain of command.

If the issues cannot be resolved by the immediate supervisor the issue will be elevated to the next level in the chain of command until resolution.

OPEN-DOOR POLICY

AVESI actively promotes an open-door policy of communication. Under the Open-Door Policy, any employee with a question, complaint, or concern should feel free to bring the matter to the attention of their supervisor or manager. If the immediate supervisor is not available, then employees can contact the Human Resource Contact.



EMPLOYEE HANDBOOK

HUMAN RESOURCE CONTACT: David Kirkton, Business Manager

PHONE: (618) 616-5392

EMAIL: davidkirkton@avesi-usa.com

HIRING AGREEMENT/OFFER LETTER

Upon hire, AVESI management will negotiate and prepare the hiring agreement or offer letter for each employee that will outline employee classification, clarification of contractual requirements, and payment terms. This offer does not in any way change the employment at will relationship, but rather outline the terms of hire. The agreement or offer must be approved by AVESI executive management staff to be valid and will serve as the contract for employment terms.

At the time of hire, employees will be assigned a working schedule based on the employee role and the client site hours. Schedules may change as dictated by client, contract language, or employee position changes. Employees are required to follow the holiday schedule of their assigned client.

- Schedule A is recognized as 8-hour days/5 days a week.
- Schedule B is recognized as 10-hour days/4 days a week.

EMPLOYMENT CLASSIFICATION

AVESI currently recognizes various employment classifications. The definitions of these various classifications are provided herein.

Regular Salaried – Employees working full-time for continuous and indefinite period of time are considered Regular Salaried employees for compensation and benefits purposes. Professional staff in this category are exempt employees and their pay is salaried based on a 40-hour work week. These employees are not eligible for overtime pay unless in the form of straight time overtime pay that is reimbursed by the contract they are working under and approved by their supervisor.

Part Time Regular Hourly – Employees whose work schedule is consistently less than 40 hours per week. Part Time Regular Hourly employees are eligible for partial benefits as defined in their offer letter.

Regular Hourly – Employees working full-time 40 hours for an hourly rate of pay are defined as hourly employees. These employees are hired to work on a specific program or project that has an estimated time period. These employees are typically contracted with the Company in relation to the contract terms they are supporting. Regular Hourly employees are eligible for 1.5 overtime pay for over 40 hours worked per week. All overtime requires preapproval from the immediate supervisor.



EMPLOYEE HANDBOOK

Temporary Employee – Employees hired to work on a specific assignment or project that has an expected completion time less than 90 days. These employees will normally work 40-hour work weeks unless otherwise directed by contract. Temporary employees are eligible for 1.5 overtime pay for over 40 hours worked per week as the overtime is approved by the supervisor prior to working it. Temporary employees access to benefits will be outlined in the offer letter.

Intern/student – College students hired during academic breaks to fulfill school requirements, to earn money for school and to gain real-world experience. Interns are not eligible for benefits.

Contract Personnel - Personnel employed by and obtained from an outside agency or qualified as a consultant, which are used to meet a short-term work requirement. Contract Personnel are not AVESI employees and are not eligible for AVESI benefits.

PAY PERIODS

AVESI offers and prefers direct deposit payment to employees (unless other arrangements have been made with Accounting) on a bi-weekly basis. The paychecks shall represent pay for work performed during the prior 2-week pay period.

The Company is required by law to make deductions from an employee's paycheck for such items as federal and state income taxes and Social Security taxes. Payments (as they apply) for various benefit plans will be deducted from an employee's paycheck if the employee chooses to participate in the plans. All deductions are reflected on employee pay receipts.

In the case where the Company is required to set up garnishments or tax liens on employee pay, any costs/fees associated with said lien deductions will be deducted from the employee's wages in addition to the required deduction amount.

TIMESHEET SUBMITTAL

Timesheets must be completed on a daily basis. Electronic timesheets are entered on-line in a web-based time and attendance application via a third-party application. Employees who do not have access to internet each day can record their time on a paper timesheet through the week to be entered later. New employees will be provided instructions for entering time into this application. **All employees are responsible for reading and following this AVESI Time Charging Policy and signing the Acknowledgement Form at the end of this handbook as documentation.**

Employees are required to work their full scheduled week unless prior notification has been made to the AVESI Business Manager for vacation or other approved time away. All timesheets should reflect a full week of time made up of billable client hours,



EMPLOYEE HANDBOOK

vacation, etc. Time without pay is not permitted unless all sick, vacation and holiday time is exhausted and only with prior approval from the executive level.

Timesheets must be submitted weekly for verification and processing. **The deadline for timesheet submittal is the following Monday at 10:00 am. All employees are required to enter their time daily and submit timesheet to their supervisor before the submittal deadline to ensure accurate payroll.** After this deadline, timesheets will be locked and unavailable for editing. Failure to complete the timesheet by this deadline could result in an inaccurate representation of work performed and will have to be resolved with the employee's supervisor.

Violation of time keeping policies will result in disciplinary action up to and including termination for repeat offenses.

EMPLOYEE PAY CONFIDENTIALITY

Employees are expected to conduct themselves professionally in regards to confidentiality of pay. AVESI recognizes the need for fair pay based on experience, education, and overall job performance. Employees that openly discuss rates may be subject to immediate disciplinary action.

Employee pay rate and the pay rates of co-workers are strictly confidential. AVESI has a no tolerance policy for unauthorized discussions of pay rates between AVESI employees and/or other contractors.

STEEL TOE BOOT REIMBURSEMENT

AVESI provides reimbursement to eligible employees for the purchase of steel toe boots. All fulltime and part-time employees who are assigned to work in the field, where specific Personal Protective Equipment (PPE) requirements exist, are eligible to be reimbursed for a portion of the cost for steel toe boots when they are a required item of PPE.

All boot purchases submitted for reimbursement must meet the OSHA requirements for the foot protection standard 29 FR 1910.136 which requires that the American National Standard Institute (ANSI) standard for Safety-Toe Footwear, Z41.1-1967 are met.

If the client (for the contract the employee is assigned to) provides reimbursement or allowance for steel toe boots, then the employee must follow the client guidelines and he/she is not eligible under this policy.

If boots are not covered by the client contract, employees whose position requires them to be in the field in ANSI rated steel toe boots **more than 50%** of their working time will be eligible for an **annual** reimbursement **up to \$125 per year**. Employees whose position requires them to be in the field **up to 50%** of their working time will be eligible



EMPLOYEE HANDBOOK

for a reimbursement of **\$125 every other year**. Employees whose positions are classified as office work will not be required to purchase steel toe boots and do not qualify under this policy.

Each employee should verify their allowed purchase amount/frequency with their supervisor prior to making their choice/purchase. Supervisors will be able to provide guidance on the types of boots that will meet the OSHA standards or specific contract requirements.

The employee will be required to make the boot purchase in advance and then submit the receipt along with the ANSI documentation to their supervisor. If the employee does not have the means to make the initial purchase, their supervisor may be able to assist.

Supervisors will approve submitted receipts/documentation and complete and expense form to submit to the AVESI Business Manager for payroll processing.

BUSINESS ETHICS

AVESI's reputation for honesty and integrity is extremely important to its continued success and ability to compete in the marketplace. The Company actively maintains an excellent reputation with regard to business ethics and intends to preserve that reputation. All employees are required to adhere to the guidelines set forth in this policy.

If an employee has any doubts as to the propriety of a particular situation, he or she should discuss the situation with his or her supervisor or with any other member of Company management as soon as possible.

The following conduct is prohibited:

An employee may not act on behalf of the Company in any transaction involving persons or organizations with whom he or she, or any member of his or her immediate family, has any significant connection or financial interest.

No employee may accept personal fees or commissions from any transactions on behalf of, related to, or involving the Company or its property.

Employees are prohibited from accepting compensation, services, benefits, payment, remuneration, or any other type of consideration from any organization doing business or seeking to do business with the Company.

Employees are prohibited from knowingly violating any state or federal statute or violating any procedures adopted by the Company relating to contracts, bidding, accounting, financial reporting, and disclosure procedures.

Any employee who has any reason to believe that any officer, director or employee of the Company has violated or intends to violate any provision of this policy is required to



EMPLOYEE HANDBOOK

report his or her concerns to management as soon as possible. The failure to disclose a violation or possible violation of this policy is in itself a violation of the policy.

GOSSIP

Gossip is a destructive force in any work environment, and it can undermine productivity and morale. Gossip is defined in two ways: a) as any conversation about another in which you do not have first-hand knowledge and/or which you and the other party cannot affect the outcome, and b) the intentional discussion of another without the benefit of their presence.

Discussions and comments involving a co-worker or member are to be limited to their presence. The only exceptions are the occasions when an employee is being reviewed in a supervisory capacity or the information being shared is of a completely positive nature. This organization is committed to building a positive environment in which to work. Failure to comply with this policy will result in immediate disciplinary action.

ANTI-HARASSMENT POLICY

AVESI will neither tolerate nor condone the harassment of any employee based on the individual's race, color, national origin, sex, age, veteran's status, religion or disability.

Any employee who believes that he or she, or any other employee, is being subjected to such harassment, should bring the matter to the attention of their immediate supervisor. If the matter is not resolved to their satisfaction it should be presented to the Program Manager, the Human Resources Contact, the Vice President, the President of the Company, and finally the CEO in that order.

AVESI will investigate any such concerns promptly and confidentially. No employee will be subject to any form of reprisal or retaliation for having made a good-faith complaint under this policy.

SEXUAL HARASSMENT

AVESI actively strives to maintain a positive working environment for its employees that is free from sexual harassment by supervisors, co-workers, or third parties. The Company will not tolerate any act of sexual harassment by any person in violation of this policy.

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

- Submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;



EMPLOYEE HANDBOOK

- Submission to or rejection of any such conduct by an individual is used as a basis for employment decisions; or
- Such conduct has the result of unreasonably interfering with an individual's work performance or creating an intimidating, offensive, or hostile working environment.

Examples of specific conduct that would violate this policy include, but are not limited to, the following activities on company premises or during work hours:

- Visual displays of sexually suggestive or sexually explicit materials, such as posters, postcards, catalogs, drawings, cartoons, magazines, or photographs.
- Sexually suggestive or explicit comments, jokes, epithets, name-calling, etc.
- Sexually suggestive or explicit gestures.
- Sending or receiving sexually suggestive or sexually explicit electronic transfers of any type.
- Logging onto, viewing, or downloading sexually suggestive or sexually explicit material from the Internet.
- Viewing or showing sexually suggestive or sexually explicit films or videotapes.
- Touching any co-worker or other person in a sexually suggestive or sexually explicit manner.
- Any act of "hazing" that involves the removal of any item of clothing from a co-worker, that involves actual or threatened physical contact of any sort, or that involves any sexually suggestive or sexually explicit element.

Please note that men as well as women can be victims of sexual harassment, and that sexual harassment may involve persons of the same sex. In addition, conversations or activities that are purely voluntary and consensual may make third persons feel uncomfortable, and thus, may be a violation of this policy.

It is the responsibility of every supervisor employed by the Company to ensure that this anti-harassment policy is strictly enforced. Every supervisor is responsible for ensuring that each employee under his or her supervision is aware of this policy. It is the further responsibility of all supervisors to ensure that any work sections under his or her responsibility are free from sexual conduct that causes, or reasonably can be considered to cause, an intimidating or offensive working environment. In addition, supervisors are required to comply with all reporting requirements in this policy, including the obligation



EMPLOYEE HANDBOOK

to promptly report to senior management any complaint made under this policy or any possible violation of this policy.

It is the responsibility of all employees to conduct themselves in ways that ensure that others are able to work in an atmosphere free from sexual harassment. It is the responsibility of all employees to comply with this policy in all respects and at all times.

It is the further responsibility of all employees, including in particular all supervisors, to bring to the Company's attention any evidence of sexual harassment, and to promptly report any act or event that is believed to be a violation of this policy (or that may be a violation of this policy) so that the matter can be investigated as soon as practicable and appropriate action taken. Further, all employees are required to cooperate fully, honestly, completely, and truthfully in any such investigation.

HUMAN TRAFFICKING POLICY (U.S. Government Contracts)

Prime contracts with the U.S. Government contain Federal Acquisition Regulation (FAR) clause 52.222-50 Combating Trafficking in Persons (48 C.F.R. § 52.222-50). AVESI has established this policy/compliance plan to address the requirements of the clause, including the following:

- (i) Establishment of an awareness program to inform contractor employees about the U.S. Government's policy prohibiting trafficking-related activities, the activities prohibited, and the actions that may be taken against the employee for violations;
- (ii) A process for employees to report, without fear of retaliation, activity inconsistent with the policy prohibiting trafficking in persons, including making available to all employees the hotline phone number of the Global Human Trafficking Hotline at (US) 1-844-888-FREE (When calling from outside the U.S., first dial the origin country's exit code) and its email address at help@humantraffickinghotline.org;
- (iii) A recruitment and wage plan that only permits the use of recruitment companies with trained employees, prohibits charging recruitment fees to the employee, and ensures that wages meet applicable host-country legal requirements or explains any variance;
- (iv) A housing plan, if the contractor or subcontractor intends to provide or arrange housing, that ensures that the housing meets host-country housing and safety standards; and
- (v) Procedures to prevent agents and subcontractors at any tier and at any dollar value from engaging in trafficking in persons and to monitor, detect, and terminate any agents, subcontracts, or subcontractor employees that have engaged in such activities. This includes flowing down the requirements of FAR 52.222-50 by the supplier to its lower tier suppliers as required by the clause.



EMPLOYEE HANDBOOK

AVESI maintains this Corporate Policy, Combating Trafficking in Persons as our full “Combating Trafficking in Persons” Compliance Plan.

Evaluation of Supplier Compliance/Audits

AVESI buying agents must remain diligent and consider audits of suppliers to evaluate supplier compliance with specific standards for trafficking and slavery in supply chains. Anyone who observes conduct contrary to the principles set forth in this AVESI Code of Conduct may call the Ethics helpline number that is included in all supply contracts. AVESI promptly investigates all reported matters and takes action as needed, including disclosure to governmental authorities as appropriate.

Supplier Certification

AVESI requires as a condition of contract that all suppliers commit to comply with applicable laws and regulations.

Human Rights

We expect our suppliers to treat people with respect and dignity, encourage diversity and diverse opinions, promote equal opportunity for all, and help create an inclusive and ethical culture.

Human Trafficking

We expect our suppliers not to engage in the use of forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery, or trafficking of persons. This includes transporting, harboring, recruiting, transferring, or receiving vulnerable persons by means of threat, force, coercion, abduction, or fraud for the purpose of exploitation.

Child Labor

We expect our suppliers to ensure that child labor is not used in the performance of work. The term “child” refers to any person under the minimum legal age for employment where the work is performed.

Internal Accountability Standards

AVESI maintains internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking. AVESI implemented these internal policies addressing this requirement which states that AVESI seeks to improve the global society in which we operate, advance technological and economic development, communicate honestly and forthrightly, and hold ourselves accountable to deliver consistently what we promise to our stakeholders (customers, stockholders, employees, partners, suppliers, and communities); and minimize any negative consequences of our business activities.

Additionally, this AVESI’s Corporate Policy Statement on trafficking in persons sets forth requirements for compliance with the United States Government’s zero tolerance policy on trafficking in persons.



EMPLOYEE HANDBOOK

Employees and covered subcontractors must comply with FAR 52.222-50 as required by our contracts. Violations may result in disciplinary action, up to and including termination of employment.

AVESI has established here the policy for employees to report, without fear of retaliation, activity inconsistent with the policy prohibiting trafficking in persons. When violations involving employees are substantiated, AVESI will take appropriate disciplinary action. If the violation involves AVESI suppliers, appropriate action, up to and including termination of contracts will be undertaken. AVESI will make all required disclosures under FAR 52.203-13 or FAR 52.222-50, including disclosure of remedial actions taken in response to violations that are reported.

Employee Training

All employees are required to review the policies here and acknowledge understanding. AVESI has developed initial training for recruiters to ensure compliance with company standards regarding slavery and trafficking. As necessary AVESI will continue to develop and maintain training modules that support our commitment to human rights.

VIOLENCE, THREATENING BEHAVIOR, AND/OR UNPROFESSIONALISM

The Company will not tolerate violence or threats of violence by any employee against any other person on Company premises or while representing the company. Violence or threats of violence should be reported immediately to any available manager or supervisor of the Company.

Any employee who engages in on-the-job violent or threatening behavior will be subject to immediate disciplinary action up to and including termination of employment.

Furthermore, abusive and/or unprofessional communication between employees will NOT be tolerated and will be immediately addressed with disciplinary action up to an including termination depending on the severity and frequency of said unprofessionalism.

WEAPONS POLICY

All employees of the Company and any other person coming onto the Company's premises are prohibited from carrying any concealed, dangerous weapon of any sort. An employee who has obtained a license to carry a concealed weapon may carry his or her weapon under the law and while adhering to client rules and regulations on location.

Any employee with personal safety concerns (e.g., parking in a remote location, working alone after hours, etc.) should discuss these concerns with the Human Resources Contact. The Company reserves the right to grant complete or partial exemptions from this policy if the circumstances warrant an exemption. Any exemptions shall be at the sole discretion of the Company.



EMPLOYEE HANDBOOK

Any employee violating this policy shall be subject to immediate disciplinary action, up to and including termination of employment. Any employee having questions concerning this policy should seek guidance from his or her supervisor of record.

SICK TIME POLICY

AVESI provides accrued sick leave to all regular fulltime and part-time employees. When accrued sick leave hours are used, it is expected that employees' timesheets will continue to reflect the number of regularly scheduled work hours each week. The maximum total number of hours that can be recorded in a day should not exceed employees' daily work schedules.

Sick Leave Accrual and Allocation

All AVESI fulltime and part time employees will accrue sick leave at a rate of 1 hour of paid sick leave for every 30 hours worked and will accrue until the employee reaches a maximum of 56 hours in a calendar year. Employees are eligible to carry unused sick hours into the next calendar year.

The maximum sick leave available at any given time will be 56 hours. When an employee uses sick leave and the employee's sick leave balance goes below 56 hours, accrual will begin again, up to the maximum of 56 hours accrued in a calendar year (Jan – Dec).

Eligible Uses

Sick leave is provided only for medical purposes, such as an employee's physical or mental illness and doctor appointments. Employees may also use sick leave when:

- Caring for or transporting sick children, spouses, domestic partner or parents or any other individual related by blood or affinity whose close association with the employee is equivalent of a family relationship who has any of the conditions or need for diagnosis, care, or preventative care;
- Aid or care for a covered family member during diagnosis, care, or treatment of, or recovery from, the family member's mental or physical illness, including preventative;
- Circumstances related to an employee's or their family member's status as a victim of domestic or sexual violence or stalking including to obtain related medical treatment, seek counseling, relocate or participate in related legal services;



EMPLOYEE HANDBOOK

- Closure of an employees' workplace or of a school/childcare of an employee's child due to a public official's order; and/or
- Time to attend a meeting requested or required by school staff to discuss a child's health condition or disability.

Sick leave does not count toward overtime or compensatory time accumulation.

Employees using sick leave directly preceding or following a holiday may, upon their return to work, be asked to present a note from an examining physician stating the medical reason for their absence. In addition, employees whose routine use of sick leave forms a pattern may also be asked to present a note from an examining physician. Employees will be required to present a note to Human Resources, from an examining physician, in the event that they are absent for more than three consecutive sick days.

Employees who become ill during vacation may not charge such time to sick leave. However, if an employee is hospitalized for more than 24 hours, vacation status may be changed to sick leave retroactively from the beginning of the hospitalization period.

Employees who are unable to work for more than seven consecutive days, due to illness, injury, or other health-related condition, must notify their immediate supervisor and the Company Business Manager immediately.

Upon an employee's termination of employment said employee's sick leave balance will be noted in their personnel file. Should the employee be rehired within a twelve-month period, the balance of sick leave will be reinstated and credited to the employee for immediate access and use and the employee will start accruing sick leave again.

ABSENTEEISM AND TARDINESS

AVESI expects regular and dependable attendance and punctuality from each employee. In order for the Company to operate productively and efficiently, employees must be available for work on a regular basis. It is important for all employees to understand that in order for the Company to grow/prosper and offer additional benefits to employees all employees must strive for maximum billable work each year. It is critical that all employees are present to provide the expected level of service to our clients.

Employees who will be absent from work, must immediately notify their immediate supervisor and the AVESI Business Manager. Missed time must be recorded as sick or vacation time to complete the required recorded hours for the scheduled week.

Employees are required to routinely work their full scheduled work week as a condition of employment. Timesheets are required to reflect a full week consisting of billed time, vacation time, sick time, and/or holiday time as appropriate. **Time without**



EMPLOYEE HANDBOOK

pay is not recognized. If an employee has exhausted all time off and must be away, a short week will require executive approval at the Vice President level.

Repeated absences or tardiness, regardless of the reason, will jeopardize continued employment of an employee. Scheduled vacation and utilized sick time under Company policies are not considered absenteeism.

The Company reserves the right to take disciplinary action, up to, and including termination for excessive absenteeism or tardiness.

EMPLOYMENT TERMINATIONS

As previously established the employment relationship between the Company and each employee is employment "at-will".

Definitions

Resignation – Voluntary termination at the request of the employee and on a date suggested by the employee and approved by management. Employees are requested to resign in the form of a resignation letter issued to the Director of Human Resources stating the reason for leaving, the last day of work, and any other pertinent information.

Abandonment of Employment – Failure of an employee to report for work or call in to their supervisor for three consecutive workdays will be treated as a resignation.

Reduction in Force – Involuntary termination of an employee due to insufficient work, project/contract end, extended leave of absence beyond 12 weeks, and/or reorganization resulting in position eliminations.

Discharge – Involuntary termination initiated by the Company

DRUG FREE WORKPLACE

The Drug-Free Workplace Act of 2001 (the "Act") requires the Company to provide and maintain a drug-free workplace for its employees. Since violation of the Act by an employee could expose the Company to significant adverse consequences, including the potential loss of federal contracts, the Company intends to enforce its drug-free workplace policy diligently.

The Act prohibits any employee of the Company from engaging in the unlawful manufacture, distribution, dispensation, possession, use, or to be under the influence (abuse) of a controlled substance in the workplace. The Act also requires all employees to agree, as a term and condition of employment, to abide by the terms of the Act; and notify the Company of any criminal drug statute arrest or conviction for an on-the-job violation no later than five days after such an event.



EMPLOYEE HANDBOOK

The Company views the abuse of any intoxicating substance to be dangerous to life, health, and property. The Company reserves the right to discipline, discharge or deny employment to any individual who violates the act; whose use of alcohol and/or controlled substances impair job performance to the point where he or she is not qualified to perform the essential functions of his or her job; and to test any employee for the presence of alcohol or other drugs whenever the employee's performance, attendance, conduct, appearance, speech, or other behavior on the job creates a reasonable question of whether the employee is under the influence of alcohol or other drugs. In addition, the Company may test any employee involved in any accident occurring on Company premises, or who sustains a work-related injury requiring medical treatment by a physician or other licensed health care provider, and may require participation in mandatory treatment programs as determined appropriate by management.

The Company recognizes that alcohol and drug problems are treatable. The Company encourages employees who think they may have a drug or alcohol dependency problem or are concerned about the drug or alcohol dependency of a family member to seek help voluntarily as soon as possible by contacting an appropriate care provider or social service agency. Voluntary participation in such programs will not exempt employees from disciplinary action for substandard job performance or rules infractions.

BENEFIT PACKAGE

AVESI provides benefits such as medical, dental, life, and disability insurance for regular full-time employees. Part time employees may qualify for partial benefits. Details on benefit package are outlined in the employee offer letter.

Upon employment start, a new employee will enroll in the benefit programs they wish to elect which will go into effect 30 days from first full time day of work.

VACATION

AVESI provides vacation time off to eligible employees which include regular hourly and regular salary employees. Vacation time away from work is to be scheduled in advance and mutually agreed upon by the client/AVESI supervisor and the employee after taking work requirements/schedule into consideration.

AVESI Site Supervisors shall discuss vacation schedules and coverage with the Company Business Manager so the Company has the opportunity to realize this billable time.

Employees are eligible to use vacation time off as it accrues. Employees will not be allowed to go negative in their accruals unless they have received prior permission to do so. Negative balances without authorization may result in written discipline.



EMPLOYEE HANDBOOK

Vacation time is accrued each pay period throughout the year and can only accrue against billable time recorded on each employee's timesheet. An Employee does not accrue vacation time during Overtime or Bereavement hours. If an employee claims more vacation time than allotted the company reserves the right to repay the unearned vacation through payroll deductions.

Annual vacation allotments are shown in the table below. An employee's vacation is determined by years of service as an AVESI, Inc employee as outlined below and calculated from the employee start date. An employee may also be granted additional vacation in their original negotiated offer.

Employment classification	Accrual Service Requirement*	Vacation Accrual
Regular Salaried	0 to 5 years of service	80 hours
Regular Salaried	5 - 15 years of service	120 hours
Regular Salaried	>15 years of service	160 hours
Regular Hourly	0 to 1 year of service	40 hours
Regular Hourly	1 to 8 years of service	80 hours
Regular Hourly	8 to 15 years of service	120 hours
Regular Hourly	> 15 years of service	160 hours

**Vacation accrual will begin on the employee's AVESI historical hire date unless contract language states otherwise*

All employees are encouraged to schedule at least one week off per year. The remaining unused vacation at the end of the calendar year will be paid out and/or the employee can opt to rollover up to 40 hours.

Contract Employees and interns do not accrue vacation time. Temporary employees may accrue vacation based on their hours worked depending on contract language.

HOLIDAYS

AVESI employees qualify for holiday pay each year. Each working location/client recognizes different holidays in different combinations of hours per day due to contractual requirements, so the holiday hours allotted are based on **10 company holidays per year paid as an 8-hour day***. **Holiday hours may be used as each recognized holiday graces the calendar.**

Employees are required to follow the holiday schedule outlined by the client/customer in their working location. When the AVESI holidays provide more days than the client observes, AVESI allows the additional days to be used as floating holiday time once accrued. This banked time can be scheduled at a later date with the location supervisor or paid out at the end of the year.



EMPLOYEE HANDBOOK

Any accrued floating holiday time away from work is to be scheduled in advance and mutually agreed upon by the daily supervisor and the employee after taking work requirements and project level approval into consideration.

*29 CFR 4.174 (c) states (1) “A fulltime employee who is eligible to receive payment for a named holiday **must receive a full day’s pay up to 8 hours**”; “**An employee whose scheduled workday is 10 hours would be entitled to a holiday payment of 8 hours**”

2020 Holiday Interpretation

The AVESI employees working Schedule A as an 8 hour/5day schedule will have 80 hours of holiday pay. The AVESI employees working Schedule B with a 10 hour/4 day schedule are eligible for 80 hours of holiday pay.

Holiday time can only be used once the holiday graces the calendar and must follow the client holiday schedule. Below is the recognized AVESI holidays in relation to client recognized holidays in each schedule.

			AVESI	AVESI	AVESI	
			Leidos 8hr (Schedule A)	Leidos 10 hr (Schedule B)	HGL FUSRAP (Schedule B)	
2020 Holiday list						
1	New year's day	1-Jan	Wednesday	8	10	10
2	MLK	20-Jan	Monday	8	10	10
3	President's Day	17-Feb	Monday	floating	floating	10
4	Good Friday	10-Apr	Friday	floating	floating	floating
5	Memorial Day	25-May	Monday	8	10	10
6	Independence day	4-Jul	Friday	8	NA	NA
7	Labor Day	7-Sep	Monday	8	10	10
8	Veteran's Day	11-Nov	Wednesday	floating	floating	floating
9	Thanksgiving	26-Nov	Thursday	8	10	10
10	Christmas	25-Dec	Friday	8	NA	NA
			total hours	80	80	80

Employees may NOT go negative in holiday pay at any given time. Employees who charge more holiday time then they have accrued will be written up and disciplined accordingly and the time will be subtracted from their vacation accruals.

Unused holiday time does not rollover from year to year and banked holidays will be paid out at the end of the year.



EMPLOYEE HANDBOOK

Temporary, Part Time, and intern employees are only paid for **project recognized** holidays that grace the calendar during the period of employment only. Contract employees are not eligible for holiday pay.

Employees who start in the midst of a calendar year will only be allowed holidays going forward from their start date. These days are accrued as each holiday graces the calendar.

LEAVES OF ABSENCE

Leaves of absence, without pay, may be granted to eligible employees when compelling reasons require them to be absent from work. Leaves of absence allow employees to retain their AVESI service eligibility for benefits. All leaves of absence must be approved by an executive level manager.

If an employee will be absent more than five consecutive working days, other than a scheduled vacation, a leave of absence must be approved to cover the period between the last day worked and the first day that the employee is expected to return to work.

Leaves of absence will be considered for Regular Salaried and Regular Hourly employees. Leaves of absence will normally be considered for periods not to exceed 90 days. If an employee is unable to return to work after 90 days employment may be terminated.

Employees requesting a medical leave of absence (including maternity) must furnish medical certification that they are unable to work, the date the disability absence will begin, and the expected date the employee will be able to return to work. Employees who desire to return to work prior to expiration of the leave period must furnish medical certification that they are able to return to work and perform the physical requirements of the job.

AVESI does not promise or guarantee reinstatement upon completion of a leave except immediately following military leaves or in circumstances (such as may apply after medical leaves and family leaves) where applicable law establishes a right to reinstatement.

Leaves of absence *must* be authorized *in writing* by the Human Resource Contact prior to the first day of absence and approved by executive management.

OTHER TIME OFF

Court Leave: Employees who have been called to be selected or to serve on a jury impaneled by a civil authority, or as a witness in a legal proceeding may request permission for time off. This time off may be charged to the employee's accrued vacation or banked holiday time.



EMPLOYEE HANDBOOK

Bereavement Leave: All regular salaried and hourly employees shall be entitled to bereavement leave for a period up to three days (normal working hours) for attendance at the funeral of a member of the employee's immediate family.

Accrued vacation, floating holiday or sick time may be used beyond the three-day period. Employees may request leave without pay if more time is needed.

For purposes of this policy, the term "immediate family" shall include the employee's spouse, parents, siblings, children, grandparents, grandchildren, step-parents, step-children, and the parents of the employee's spouse.

The Human Resource Contact must be notified in writing (email is acceptable) prior to taking bereavement leave.

TRAINING

AVESI recognizes that most of our employees have specialized regulatory training that must be maintained. AVESI will assist in tracking all employee training and offer opportunities for refreshment coursework. Training that is not required in the current role the employee holds must be submitted for approval to be maintained.

It is the responsibility of the employee to inform AVESI of all training that will require refreshment coursework. Ultimately each individual is required to remain current in their training requirements.

As previously stated, AVESI may support other types of training opportunities. Each employee should present such requests to their immediate supervisor with a cost estimate so they can be reviewed.

Each contract situation will provide different guidelines for the coverage of training costs. Each supervisor should understand the terms of the contract they are working under and manage training requirements accordingly.

WORKERS COMPENSATION

Most employees of the Company are subject to and protected by state laws relating to workers' compensation. Workers' compensation benefits provide medical benefits for work-related injuries or illness, and also provide weekly disability payments to replace lost income. These benefits are provided through a workers' compensation insurance policy purchased by the Company. Insurance premiums for workers' compensation coverage are paid by the Company. No employee contribution is required.

Employees are required to immediately report any work-related accident, illness, or injury to his or her supervisor. The supervisor must immediately notify AVESI executive management. Executive management will work with the supervisor for client notification



EMPLOYEE HANDBOOK

procedures. The proper reporting of such matters is necessary to ensure the employee's receipt of all benefits to which he or she may be entitled. Failure to report a work-related accident, illness, or injury in a timely manner may decrease or completely jeopardize employee Workman's Compensation Benefits.

No employee will be harassed, coerced, intimidated, retaliated against, discharged or otherwise subjected to any adverse employment action by the Company for reporting an on-the-job accident or injury or a work-related illness or for filing and pursuing a lawful claim under the Workers' Compensation Act.

SAFETY

The importance of safety with respect to our workforce and company cannot be overstated. First, failure to perform our operations can negatively impact the health and livelihood of our most important asset – our people. Secondly, safety infractions can negatively impact our ability to obtain and maintain our client support contracts, thereby jeopardizing corporate viability and our workforce's income potential.

AVESI actively works to provide a safe and healthy work environment for all employees. Doing so requires the cooperation and active participation of every employee. All employees are expected to be familiar with, and to meet, follow, or comply with, all safety and health requirements established by the Company.

Adhering to the AVESI Safety Plan and the client safety program, is a condition of employment.

Any safety reporting needs to be immediately conveyed to the AVESI supervisor. The supervisor must immediately notify AVESI executive management. Executive management will work with the supervisor for client notification procedures. All emergencies that effect the livelihood of any individual must dial proper authorities or 911.

BUSINESS TRAVEL

AVESI reimburses employees for the expenses of business travel, including the cost of transportation, meals, and lodging, provided that such travel is approved in advance and is required for Company business.

Official business expenses must be documented (including receipts) and sent to the designated manager for review, approval, and payment. Any questions related to travel approval and/or the appropriate manner to file for reimbursement should be directed to the Vice President.



EMPLOYEE HANDBOOK

Travel reimbursement may be subject to contractual terms for the specific contract the employee is working under.

AUTOMOBILE USAGE

Personal vehicle usage must be approved by the Human Resources Contact. If an employee must use his or her own automobile for approved business purposes, that employee will receive a mileage allowance based on the GSA established rate for such usage unless specific contract terms supersede GSA published rates. This allowance is to cover the cost of gasoline, oil, depreciation, and insurance. Any questions related to automobile usage and/or the appropriate manner to file for reimbursement should be directed to acting President and/or Vice President of Operations.

PROPERTY AND EQUIPMENT

Any employee using the Company's property or equipment has a responsibility to employ full care in its use and in safeguarding it from theft or vandalism. Negligence and/or intentional misuse of Company provided property or equipment may result in disciplinary action, including required employee compensation for damages and/or termination.

EMPLOYMENT VERIFICATION AND REFERRAL REQUESTS

Any request from outside the Company for employment verification information OR referral requests regarding current or former employees shall be referred to the Business Manager.

MEDIA CONTACTS

No employee may engage the media regarding the Company or our operations. All media inquiries shall be directed to the Vice President, President or CEO.

CORPORATE CONFIDENTIALITY

AVESI's activities, operations, and business affairs may not be disclosed to anyone outside of the organization except when required or otherwise authorized in the normal course of business.

Any questions regarding confidentiality policies should be discussed with your immediate supervisor or with any Company Officer.

EMPLOYMENT RECORDS

All employment records are maintained by the Business Manager. Employees should inform the Business Manager of any changes in personal data (e.g., name, address, telephone number, dependents, marital status, and emergency contacts).



EMPLOYEE HANDBOOK

Upon request, employees may review their personnel files by requesting to do so through the Business Manager.

FUTURE POLICY AND PROCEDURES CHANGES

AVESI reserves the right to change policies, procedures, operating guidelines, benefits, and employment status without notice, consultation, or publication, except as may be required by law. The Company reserves the right to modify or change any portion of the handbook at any time and will notify employees upon making any changes.



EMPLOYEE HANDBOOK

REGULAR SALARIED EMPLOYEE ADDENDUM



EMPLOYEE HANDBOOK

INTRODUCTION

This addendum provides information specific to Regular Salaried employees and is provided as an addition to the policies outlined in the handbook as a whole.

TUITION REIMBURSEMENT FOR REGULAR SALARIED EMPLOYEES

AVESI recognizes that it is beneficial to the employee and the Company when an employee pursues higher education. With that in mind, the Company has established the AVESI Educational Tuition Reimbursement Plan. Under the plan, AVESI offers partial/full tuition reimbursement opportunities for eligible employees after one year of service to the Company upon management approval unless other terms are negotiated at the time of hire.

There is a limit as to how many employees the Company can support each year. Requests for tuition reimbursement will be evaluated based on employee performance, areas of study relevant to work, accreditation of the school, years of service, and number of tuition requests already under consideration.

After one year of service interested regular salary employees may submit an application for management review and approval for tuition reimbursement as outlined in the plan. Upon approval, AVESI management will draft a tuition reimbursement agreement with the employee. All agreements must be signed/approved by the Vice President.

AVESI may require the employee to sign a repayment agreement requiring a minimum amount of service once degree is complete to avoid repayment.



EMPLOYEE HANDBOOK

REGULAR HOURLY EMPLOYEE ADDENDUM



EMPLOYEE HANDBOOK

INTRODUCTION

This addendum provides information specific to hourly employees and is provided as an addition to the policies outlined in the handbook as a whole.

HIRING

Hourly employees are hired to work on a specific assignment or project that has an expected completion date.

Hourly employees will be retained on a year by year basis in conjunction with the client contracts they are hired to support. Wages are determined by contract terms/billable rates on the project.

Each employee will receive an offer letter at the time of hire and this will serve as an employment contract. Each year this contract will renew in conjunction with the Company/Client contract renewal. Any disciplinary actions will jeopardize the employee's position on the contract and therefore endanger employment options with the Company.

Hourly employees are hired to support specific contracts the company secures in the industries we operate in. There may be opportunities for hourly employees to work on other contracts outside of the contract they are hired for, but in order for that to be approved the client on the original contract must review and authorize.

HOURLY RATE DETERMINATION

AVESI pays rates to hourly employees that are in line with the market in our industry and operating locations. Contract terms from the client also dictate what the company can/must pay in hourly rates.

Hourly employees will be hired under determined rates that will remain valid for one fiscal year of the contract. Each year the hiring contract must be renewed and the rate for each employee will be evaluated at that time. Any required changes will be discussed with employees which may generate a new offer agreement.

PROJECT CLOSURE/SHUT DOWN EFFECTING REGULAR HOURLY EMPLOYEES

When a project must close due to weather conditions or issues such as lack of funding and billable work is no longer available for any period of time, regular hourly employees must use vacation or banked floating holiday time on their timesheet in order to continue pay.

AVESI anticipates that our supervisors at each site will prepare various tasks for their staff when these down times are realized. This will help ensure that staff will maintain



EMPLOYEE HANDBOOK

billable hours without having to deplete their Vacation/Holiday hours. Bad weather conditions mark an excellent time to address training refreshers.

Any variances to this policy must be approved by the President and/or Vice President.



EMPLOYEE HANDBOOK

EMPLOYEE ACKNOWLEDGEMENT

I certify that I have read and agree with the conditions of the January 2020 Employee Handbook for AVESI.

Name (print): _____

Signature: _____

Date: _____

This form must be signed and returned to:

David Kirkton

Email: davidkirkton@avesi-usa.com

Fax: 866-628-5361