



Employee Information Handbook

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INTRODUCTION

This Employee Information Handbook (the “Handbook”) is the property of HBM Holdings (the “Company”) and is intended for use by its employees. It supersedes and revokes all previous Handbooks, General Work Rules and other publications of any entity within the Company pertaining to policies and procedures governing employees.

The provisions of this Handbook do not constitute a contract of employment nor are they covenants. The guidelines, procedures, and benefits contained in this Handbook may be expanded, amended, modified or deleted at any time in the sole discretion of Company Management.

Once you complete your review of this Handbook, you must read and execute the Employee Information Handbook Acknowledgement of Receipt and Understanding. This will document that you have read and understand the contents of the Handbook. If you have any questions or did not receive an Acknowledgement, please contact a member of Human Resources.

COMPANY HISTORY

HBM Holdings has deep roots. In 1907, Harry B. Matthews founded Mississippi Sand Company, which later became Mississippi Lime. Because of his entrepreneurial mindset, hard work, dedication and commitment, Mississippi Lime thrived in the 20th century and continues to prosper today. In 2012, an investment and management company, HBM Holdings, was created by the Board to diversify the business interests owned by the Harry B. Mathews, Jr. Trust.

At HBM Holdings, we continue to build on the legacy that Harry B. Matthews shaped. Our focus is on creating a balanced and diverse investment portfolio. We seek businesses that create real value for their customers and our mission is to help them grow and succeed.

In 2012, Delavau, a food and pharmaceutical ingredients company based in Pennsylvania, joined our family. In 2013, we added Tru-Flex, a manufacturer of specialty metal hoses used in heavy-duty trucks and off-road vehicles based in Indiana. Most recently, Breen Energy Solutions, a Pennsylvania-based provider of emissions measurement and mitigation technologies to the utility and industrial boiler markets, was added to our portfolio.

In addition to growing our portfolio and expanding our horizons, we continue to focus our attention on our communities and safety. We are fortunate to be a part of many different communities and believe that giving back is not just an option, but one of our core values. It is our responsibility to make a difference by being engaged in the communities where we live, work and play.

Safety is a top priority across the enterprise. At HBM, we work with all of our companies to help them provide a safe work environment and develop top-notch safety practices. We are committed to achieving and maintaining “best in class” safety performance in each of our businesses.

VISION

To build a world class investment and management company that develops and empowers our people to achieve great things, while creating sustainable, long-term value for our companies and communities.

MISSION

We will be industry leaders in safety performance, employee engagement and customer satisfaction in each of our businesses and a well-respected organization within our communities. By the year 2020, we will 1) build an internal pipeline of high potential talent to fill a significant majority of our senior leadership positions, 2) double our 2015 revenue base while maintaining profitability, and 3) increase our financial diversification.

CORE VALUES

The core values of the Company form the foundation on which we perform work and conduct ourselves. These values are the basic elements which guide us in our day-to-day work and general business practices. The core values of the Company are as follows:

- **Ethical Conduct** – We act with integrity in everything we do.
- **Safety** – We are committed to achieving and maintaining “best in class” safety performance in each of our businesses.
- **Constructive Impatience** – We exist to enable, not to obstruct. We encourage and promote new ideas and perspectives, with a bias toward action.
- **Individual Responsibility** – Each individual is responsible for maintaining a culture of collaboration and approachability, and holding ourselves and each other to standards that will drive sustainable results.
- **Community Engagement** – We are committed to our communities and seek to drive positive change through our people and resources.
- **Operational Excellence** – We will relentlessly pursue continuous improvement across all of our businesses.

SAFETY & ENVIRONMENTAL FOCUS

HBM is committed to achieving and maintaining “best in class” safety performance in each of our businesses, and to ensure the safety and health of our employees.

It is the Company’s policy to manage our businesses in an environmentally responsible manner. We clearly communicate and demonstrate our commitment to environmental stewardship. Regulatory compliance and the sensible operation of our facilities are essential to our long-term viability.

COMMUNITY INVOLVEMENT

We are fortunate to be a part of many different communities and believe that giving back is one of our core values. It is our responsibility to make a difference by being engaged in the communities where we live, work and play. We choose charities based on what is important to our employees and based on what is aligned with our mission.

EMPLOYMENT

Equal Employment Opportunity Policy

It is the policy of the Company to provide equal employment opportunity to all individuals regardless of race, color, gender, religion, national origin, age, citizenship status, pregnancy, mental or physical disability, veteran status, sexual orientation, genetic information or any other legally protected status. The Company is committed to upholding affirmative procedures and practices that will ensure objective, equitable employment opportunity for all, as follows:

- Recruit, hire, train and promote for all job classifications, without regard to race, color, gender, religion, national origin, age, citizenship status, pregnancy, mental or physical disability, veteran status, sexual orientation, genetic information or any other legally protected status, except where gender or age is a bona fide occupational requirement or where disability is a bona fide occupational disqualification;
- Base employment decisions on the principles of equal employment opportunity;
- Ensure that promotions are based on valid requirements and are in accord with the principles of equal employment opportunity; and
- Ensure that all personnel actions such as compensation, benefits, hiring, upgrading, transfers, layoffs, return from layoffs, Company-sponsored training, education/tuition assistance, social and recreational programs are administered without regard to race, color, gender, religion, national origin, age, citizenship status, pregnancy, mental or physical disability, veteran status, sexual orientation, genetic information or any other legally protected status, except where gender or age is a bona fide occupational requirement or where disability is a bona fide occupational disqualification.

The importance of fulfilling this policy cannot be overemphasized. We want to have the best qualified persons for all of our jobs without any discrimination. Sexual harassment, or any unlawful discrimination or harassment, will not be tolerated. Please refer to our harassment free workplace policy (in this Handbook) for further information.

At-Will Employment Statement

It is important to understand that you are employed in an "at-will" employment relationship, which means that either you or the Company can end the employment relationship at any time, with or without notice, for any reason or no reason at all. Please note that only the Company Chief Executive Officer ("CEO") has the authority to alter at-will employment status. The Company further acknowledges each employee's right to organize.

Work Authorization

The Company is legally required to hire and keep in employment only United States citizens or others lawfully authorized to work in the United States. All employees must produce appropriate documentation, within the first three working days with the Company, exhibiting identity and work authorization, and complete and sign a verification form ("I-9") certifying that they are eligible to work in the United States. The Company uses E-Verify for this purpose.

Open Communication Policy

Effective communication is important to the success of the Company. When you have questions concerning your job, we encourage open communication with your Manager.

You should always bring work related questions and problems to your Manager's attention. Together you can talk through solutions or your Manager can assist you in obtaining information to solve the problem or answer your question. If your Manager does not resolve the issue to your satisfaction, please seek advice from the next level of supervision or from your department head, or the Human Resources Department.

Input and dedication to high quality are needed from all employees to build a solid and harmonious team. We value the ideas and input from our employees. The doors of Management are always open for sharing work problems or ideas.

Definitions of Employment Status

The following terms are used to describe employees' classification and status:

- **Manager** – The employee to whom you directly report, regardless of title.
- **Non-exempt** – At-will employees performing a role that does not meet the executive, administrative, professional, outside sales, or any other exemption requirements, as prescribed by federal and state wage and hour laws. These employees are paid time and one half of their regular rate of pay for actual hours worked in excess of forty (40) hours per work week and in compliance with state and local laws.
- **Exempt** – At-will employees performing a role that meets the executive, administrative, professional, outside sales, or another exemption requirement, as prescribed by federal and state wage and hour laws. These employees are exempt from overtime pay and will be paid in accordance with all laws governing exempt positions.
- **Full-time** – At-will employees who are not in a temporary/seasonal status and are regularly scheduled to work the Company's full-time schedule. Generally, they are eligible to participate in the Company's benefit package, subject to the terms, conditions and limitations of each benefit program.
- **Part-time** – At-will employees who are not in a temporary/seasonal status and are regularly scheduled to work less than the full-time work schedule. Regular part-time employees may be eligible for some benefits sponsored by the Company, subject to the terms, conditions and limitations of each benefit program.
- **Regular** – At-will employees, with no pre-established time limits or expectations for their tenure with the Company.
- **Temporary/Seasonal** – At-will employees who are hired temporarily for a pre-established, limited period, usually during peak workloads or for vacation relief. These workers are notified of the temporary nature of their work assignments, although they may work a full-time or part-time schedule. Temporary workers are not eligible for Company benefits, unless otherwise prescribed by law.

You will be informed of your employment classification and status when you begin your employment or when your status changes. Any questions regarding your employment classification or status should be directed to Human Resources. All classifications of employees are expected to comply with all Company policies and rules.

Falsification of Employment Information

Your employment may be subject to immediate termination if, at any time, the Company discovers that you provided the Company any false or misleading information on your employment application, during the employment process, or at any other time during your employment.

Hours of Work

HBM has generally established hours of operations whereby the office is open for business. For many roles, HBM adopts a flextime approach, meaning that employees are reasonably expected to be available for meetings and events during the core business hours of 9:30 a.m. to 3:30 p.m. Remaining hours may be "flexed" based on Manager approval. Each individual's particular working hours will be established depending upon various factors including, but not limited to, your location, department, position, and travel schedule. All working hours are subject to modification by your Manager. Moreover, the Company reserves the right to change hours of work as necessary and will comply with all Department of Labor requirements as well as business needs.

Keeping Your Records Current

It is your responsibility to promptly inform the Human Resources Department of any changes in your personal information or status so records will be up-to-date. This is handled by using Employee Self-Service.

Separation

If you plan to resign, you should give your Manager and the Human Resources Department as much advance notice as possible. A minimum of two weeks' notice is customary in a voluntary resignation from the Company. You will receive your final check on the next regularly scheduled pay date. On or before your final day of employment, all monies due to the Company must be reconciled. Upon separation for any reason, you are required to return all items belonging to the Company to the Human Resources Department. You may consult Human Resources to learn whether your benefits are transferable.

Employees who resign are typically scheduled for an exit interview. The Human Resources Department will assist you in completing all the details involved in leaving the Company and provide you with the opportunity to advise the Company on ways to improve. Please schedule your exit interview through the Human Resources Department.

Information Requests & Employment References

Requests for employee information received from outside the Company, including requests for references on current or former employees, must be directed to Human Resources. Managers and other employees are prohibited from providing employment references on current or former employees on behalf of the Company. The following parameters will be followed:

- **Telephone Information Requests:** Dates of employment and last position held.
- **Written Information Requests:** Salary information will also be provided if the Company receives a written request with a release signed by the current or former employee.

Outside Employment

In the Company's sole discretion, other employment may be prohibited to the extent it affects your job at the Company. As such, the following guidelines must be adhered to with respect to outside employment:

- Outside employment must be performed during non-working hours only.
- Outside employment must not utilize the Company's services, supplies, employees, or any other property of the Company, in any way.
- Outside employment must not in any way affect the performance of your duties in your position or create any conflict of interest, and/or potential or perceived conflict of interest.
- "Moonlighting" or securing outside employment without prior approval from your manager is prohibited.

It is the responsibility of each employee to notify the Company of any potential outside employment in advance of accepting the outside employment so that the Company can determine whether accepting that employment would violate this Policy.

Background and Reference Checks

To ensure that individuals who join the Company are well qualified and to ensure that the Company maintains a safe and productive work environment, it is our policy to conduct pre-employment background checks on all applicants who accept an offer of employment. Background checks may include verification of any information on the applicant's resume or application form.

All offers of employment are conditioned on receipt of a background check report that is acceptable to the Company. All background checks are conducted in conformity with the Federal Fair Credit Reporting Act, the Americans with Disabilities Act, and state and federal privacy and anti-discrimination laws. Reports are kept confidential and are only viewed by individuals involved in the hiring process.

If information obtained in a background check would lead the Company to deny employment, a copy of the report will be provided to the applicant, and the applicant will have the opportunity to dispute the report's accuracy. Background checks may include a criminal record check, although a criminal conviction does not automatically bar an applicant from employment.

Additional checks such as a driving record or credit report may be made on applicants for particular job categories if appropriate and job related.

Relocation

HBM Holdings will provide relocation assistance to newly hired exempt salaried employees, employees transferred at the Company's request, difficult positions to fill, and certain transfers at the employee's request. For additional information regarding the relocation policy please contact a member of Human Resources.

POLICY STATEMENTS

Antitrust Policy

Competition is an economic process that results in the efficient allocation of our free society's resources. Competition requires that buyers and sellers be given the freedom to buy and sell their products or services without having unreasonable restraints imposed on them by other buyers or sellers. The American antitrust laws — the Sherman, Clayton, Robinson-Patman and Federal Trade Commission Acts — have all been enacted to protect and enhance competition and to protect competitors, including our organization, and the public against unfair, predatory and/or deceptive business practices.

Antitrust laws attempt to make companies act in a competitive manner by breaking up companies that are monopolies, prohibiting mergers that would improperly increase market power, and finding and fining companies that conspire to establish higher prices. The importance that our American political and economic system places on competition is reflected in the penalties that can be imposed for violations of the antitrust laws. The most serious antitrust violations — agreements between competitors on pricing and division of markets — can subject an individual to imprisonment for up to three years and a fine of up to \$1,000,000. The Company itself can be fined up to \$100 million for such violations. These amounts can be even greater depending on the loss to the victim or the gain realized by the Company from the unlawful activity. In addition, private parties such as customers, competitors, and suppliers who are injured because of a violation of the antitrust laws can sue and recover an amount (against both individual violators and their employer corporations) equal to three times the actual loss sustained. Even a government investigation, without finding any violation or liability, can be extraordinarily disruptive of the Company's business and very costly in terms of defense expenses and lost business opportunities.

The Company's Antitrust Policy exists to assist employees avoid conduct which is potentially problematic or even illegal. This Antitrust Policy does not cover all antitrust laws or identify any specific conduct as a violation of any antitrust law. Any such determination can only be made after evaluation of specific facts under the applicable law. The obligation to follow the law applies to each employee as well as to the Company. Each employee's responsibility includes awareness of situations which present antitrust risks, knowledge of our policy, and the obligation to seek the advice of Management and legal counsel when there is any doubt as to the legality of any action. The fulfillment of this responsibility is basic to the satisfactory work performance of every employee. There is no commercial objective which is more important than compliance with the laws governing our business. Because of the important role antitrust laws play in safeguarding the efficiency of our economic system and the serious consequences of any violation of these laws, any failure to follow the guidelines identified in the policy can result in termination of your employment.

Business Ethics

It has always been, and continues to be, the intent of the Company that its employees maintain the highest ethical standards in their conduct of the Company's affairs. The essence of the policy is that employees shall deal with co-workers, suppliers, customers and other persons doing or seeking to do business with the Company in a manner that excludes considerations of personal advantage.

An employee's primary duty is to act at all times in the best interest of the Company to the best of the employee's ability. To avoid conflicts of interest, all employees are to comply with the following general rules.

Gratuities to Employees

Employees shall not seek or accept any gifts, payments, fees, services, valuable privileges, vacations or pleasure trips without a business purpose, loans (other than conventional loans from lending institutions) or other favors from any person or business organization that does or seeks to do business with, or is a competitor of, the Company. No employee shall accept anything of value in exchange for referral of third parties to any such person or business organization. In the application of this policy:

- Employees may accept common courtesies usually associated with accepted business practices, such as lunches, dinners, tickets to sporting events or the theater.
- An especially strict standard is expected with respect to gifts, services or considerations of any kind from suppliers. Entertainment at the expense of suppliers beyond that usually associated with accepted business practices should not be accepted under any circumstances. Excess entertainment from any one supplier may be construed as a conflict of interest.

- Employees can accept gifts or entertainment only in cases where the gifts or entertainment are of nominal value, are customary in the industry, will not violate any laws, and will not influence or appear to influence the employee's judgment or conduct.
- It is never permissible to accept a gift in cash or cash equivalents (e.g., stock or other forms of marketable securities) of any amount.

Interest in Outside Business Activities

Employees shall not conduct business on behalf of the Company with a spouse, son or daughter, son-in-law or daughter-in-law, father or mother, father-in-law or mother-in-law, brother or sister, brother-in-law or sister-in-law ("Immediate Family"), or a business organization with which the employee or a member of the employee's Immediate Family has an association which could be construed as a conflict of interest, unless such business dealings have been discussed with the employee's immediate Manager. If further clarification is necessary, the employee to whom you directly report, regardless of title, (the "Manager") should seek approval from the head of the Human Resources Department, or the CEO or his or her designee.

Employees or members of their Immediate Family should not have a financial interest in any business organization that does or seeks to do business with the Company or is a competitor of the Company unless such interest has been fully disclosed to the CEO and it has been determined that the employee's interests of the employee's Immediate Family member(s) will not require him or her to make decisions that could be influenced by such interest.

Employees shall not conduct business with the Company on behalf of a business organization with which the employee, or any of his or her Immediate Family, has a financial interest, an employment relationship, or an independent contractor relationship (including, but not limited to, a sales distribution capacity) unless such business dealings have been discussed with the immediate Manager and a specific non-objection has been given in writing. If further clarification is necessary, the Manager should seek approval from the head of the Human Resources Department, or the CEO or his or her designee.

Employees shall not utilize their employment relationship with the Company, or any knowledge or information gained while employed by the Company, in advertising or marketing the products of another business organization, unless specifically approved by the CEO in writing.

Employees shall not accept an offer to serve as a partner, consultant, in a managerial position with, or to be employed in a technical capacity by a nonaffiliated business organization which does significant business with, or is a competitor of, the Company, without advising the Human Resources Department of such plans before starting the activity. Where the potential for conflict of interest exists, prior specific written approval must be obtained from the CEO.

Employees may accept an offer to serve as a director of a firm or business organization, including any non-profit or charitable organization, where a conflict of interest does not exist. However, prior to acceptance of the position, the employee must obtain written approval from the CEO.

Securities Transaction

Employees shall hold confidential, any "insider" information that could affect the investment decisions of the Company. In addition, no purchase or sale of securities of another corporation, the acquisition of which is being considered by the Company should be made until such time as the proposed acquisition becomes public information. Employees shall not acquire real estate or encourage others to acquire real estate, which they know the Company is interested in acquiring. Moreover, based on such advance information, employees shall not acquire any nearby property for speculation or investment without the specific prior approval of the CEO.

Confidential Information

Employees may acquire certain information about the Company, its target companies, suppliers or business partners or another third party that is confidential, competitively sensitive or proprietary. Employees shall not, without the authority of the CEO, give or release to anyone not employed by the Company, or to another employee who has no business need, any information or data of a confidential nature. Employees should assume that Company information is confidential or competitively sensitive unless it is clear the Company has publicly released the information. This paragraph does not circumvent any confidentiality agreement between the employee and the Company.

Political Contributions

Employees shall not use funds of the Company for contributions to any political party or committee in the United States or to any candidate for, or holder of any office of any government—national, state, or local—except for those as approved by an Officer of the Company. Individual participation by employees in the political process, however, is always encouraged.

Gratuities by One or More Companies

Gifts, favors, entertainment and payments by the Company may be given to others at Company expense only if they meet the following criteria:

- They are consistent with accepted business practices.
- They are of sufficiently limited value and in such form that they will not be construed as a bribe.
- They are not in contravention of applicable law and generally accepted ethical standards.
- Public disclosure of the facts will not embarrass the Company.

Discovery of Violations

Employees have an obligation to report actions or events that may constitute a violation of this policy if the employee in good faith reasonably believes that a violation of this policy may have occurred. The employee should promptly report such information to the head of the Human Resources Department, or the CEO. An employee's failure to report reasonably suspected violations of this Policy will result in a range of actions from a coaching session up to and including termination of employment, as Management may in its sole discretion determine to be appropriate.

Work Behavior Guidelines

As an employee, you are expected to demonstrate a reasonable, proper and professional regard for fellow employees, members of the public, and the business interests of the Company. The employment relationship is enhanced if the employee demonstrates sound conduct, efficient performance, and proper respect for other employees and the employer's interests. Employees who fail to follow these policies or whose performance on the job is unsatisfactory are subject to appropriate disciplinary action. Disciplinary measures may include but are not limited to, counseling, written or oral reminders, and terminations. At all times the Company reserves the right to determine the level of discipline in accordance with the facts of an individual case and the previous record of the employee involved, including possible discharge for a serious first offense. Following are examples of violations against the business interest of the Company and the personal interest of your fellow employees. These actions, while certainly not an all-inclusive listing, are subject to disciplinary action up to and including immediate discharge. Compliance with these guidelines is expected of all employees. Such unacceptable conduct includes, but is not limited to:

- Excessive absenteeism or tardiness, unexcused absences or tardiness, or absences or tardiness without appropriate notice to your Manager.
- Refusal or failure to obey legitimate orders or directions of a Manager, failure to accept job assignments, or deliberate interference with the work of other employees.
- Theft or unauthorized possession of Company Property or that of a fellow employee.
- Physically assaulting, or threatening to assault another employee, representatives of a customer, supplier, contractor or other person authorized to be on Company Property; fighting, attempting bodily injury to another employee, or improperly intimidating another employee.
- Any form of dishonesty, including falsification of any Company record or report, and falsification of the reason for absence from work.

- Violation of our policies included in our Employee Information Handbook, or any amendments to these documents.
- Negligence in the use of equipment or vehicles resulting in significant damage, injury or risk of personal injury or damage.
- The employee engaged in or is believed to have engaged in illegal conduct.

Workplace Safety

Any injury sustained while at work must be immediately brought to your Manager's attention, so that arrangements can be made for any necessary medical examination and/or documentation. Your Manager is responsible for completing an injury report and submitting it to the Human Resources Department.

Weapons in the Workplace

In the interest of a workplace that is safe and free from violence, the Company prohibits all persons who enter upon its property from wearing, transporting, storing, using, or carrying a firearm or dangerous weapon of any type, concealed or unconcealed, upon its property regardless of whether the person is licensed to carry the weapon or not. Additionally, the Company's employees, including without limitation temporary employees, are prohibited from carrying firearms or dangerous weapons of any type outside of the Company's property while acting within the course of their employment, regardless of whether the person is licensed to carry the weapon. Thus, employees may not carry any weapon covered by this policy while performing any task on the Company's behalf. This policy also prohibits persons from carrying weapons at any Company-sponsored functions.

Although the Company cannot be a guarantor of conduct in the work place; it adopts this policy to take steps to provide a safe environment for employees and guests.

"Weapon(s)" includes, but is not limited to, handguns, firearms, explosives, knives, simulated firearms operated by gas or compressed air, sling shots, metal knuckles, dangerous chemicals, and other weapons further defined by state statute and/or local ordinance. (If any person has a question regarding whether an item is covered by this policy, he or she should contact Human resources.) It is the responsibility of each person upon entering Company Property to make certain that any item listed above is not in his or her possession while on company property or on company business.

"Company Property" covered by this policy includes all property owned or leased by the Company, including without limitation, buildings and surrounding areas, such as sidewalks, walkways, parking facilities, and driveways under the Company's ownership or control. This policy also applies to all vehicles owned or leased by the Company, regardless of whether the vehicles are on Company Property at the time.

The Company reserves the right to conduct searches of any person or object that enters upon its property, as deemed necessary by the Company at any time, and at its sole discretion. Pursuant to this provision, the Company may search lockers, desks, packages, containers, purses, briefcases, baggage, toolboxes, lunch sacks, clothing, and any other item in which a weapon may be hidden, for the purpose of determining whether any weapon has been brought onto Company Property in violation of this policy. Additionally, the Company may search any vehicle owned or leased by it and used by the employee, regardless of whether the vehicle is being used to conduct business on behalf of the Company.

Management (and local authorities, as applicable), are authorized under this policy to conduct these searches. To the extent that Management conducts the search, the employee's presence will be requested during the search. An employee may refuse to consent to the search; provided, however, that such refusal may result in discipline, up to and including termination of employment.

This policy applies to all Company employees, including temporary employees, as well as to customers and visitors on the property, regardless of whether or not they are licensed to carry a concealed weapon. However, this policy does not apply to law enforcement personnel engaged in official duties, security personnel engaged in official duties, or other persons who have been given prior written consent by Company to carry a weapon on Company Property.

Carrying a weapon onto Company Property in violation of this policy will be considered an act of criminal trespass, will be grounds for immediate removal from the premises, and may result in prosecution.

If you have any questions about this policy or become aware of anyone acting in violation of this policy, please contact your Human

Resources department immediately.

This Policy shall not be construed to create any duty or obligation on the part of the Company to take any actions beyond those required of an employer by existing law.

American with Disabilities Act & its Amendments - (ADAAA)

HBM Holdings is committed to complying with all applicable provisions of the Americans with Disabilities Act and its amendments ("ADAAA"). It is the Company's policy not to discriminate against any qualified employee or applicant with regard to any terms or conditions of employment because of such individual's disability, so long as the employee can perform the essential functions of the job with or without reasonable accommodations. Consistent with this policy, the Company will provide reasonable accommodations to a qualified individual with a disability who has made the Company aware of his or her disability, provided that such accommodation does not constitute an undue hardship on the Company.

Procedure for Requesting an Accommodation

Employees with a disability who believe they need a reasonable accommodation to perform the essential functions of their job should contact the Human Resources Department. The Company supports individuals with disabilities who may need to request reasonable accommodation.

On receipt of an accommodation request, a member of the Human Resources Department and your Manager will meet with you to discuss and identify the precise limitations resulting from the disability and the potential accommodation that the Company might make to help you perform the essential functions of your job. Input from your doctor may be necessary.

The Company will determine the feasibility of the requested accommodation.

The Company will inform the employee of its decision about the accommodation request or on how to make the accommodation. If the accommodation request is denied, employees have the right to appeal the decision by submitting a written statement explaining the reasons for the request to Human Resources.

The ADAAA does not require the Company to make the best possible accommodation, to reallocate essential job functions, to create jobs, or to provide personal use items (i.e., eyeglasses, hearing aids, wheelchairs etc.).

An employee or job applicant who has questions regarding this policy or believes that he or she has been discriminated against based on a disability should notify their Manager or the Human Resources Department. All such inquiries or complaints will be treated as confidential to the extent permissible by law.

Harassment-Free Workplace & Non-Discrimination Policy

It is the Company's policy that all employees have a right to work in an environment free of harassment, verbal and physical, which is based on race, color, gender, religion, national origin, age, citizenship status, pregnancy, mental or physical disability, veteran status, sexual orientation, genetic information or any other legally protected status. In keeping with this commitment, we will not tolerate harassment of employees or applicants by anyone, including any Manager, co-worker, customer, vendor, or other outside party with whom our employees come in contact during the course of performing their job duties at the Company, based on these characteristics. Such conduct, or interference with the investigation of an alleged incident, may result in disciplinary action, up to and including termination. You should direct any questions or concerns about this policy to Human Resources.

Under most circumstances, harassment refers to the type of conduct that is pervasive, repetitive and sufficiently severe to alter the conditions of an employee's employment. Harassment may also refer to a single incident that is sufficiently outrageous or harmful, in and of itself, that substantially alters the conditions of an employee's employment or interferes with that individual's ability to perform job-related responsibilities. Harassment includes, but is not limited to:

- Unwelcome sexual advances, requests for sexual acts or favors, or other verbal or physical conduct of a sexual nature.
- Any statement or implication that an individual's submission to, or rejection of, such sexual conduct could be used as a condition of employment, or as the basis for any employment decision affecting such individual. No one in the Company

has the authorization to behave in this manner.

- Any conduct, whether physical or verbal, which has the purpose or effect of substantially interfering with an individual's work performance; creating an intimidating, hostile or offensive work environment; or adversely affecting an individual's employment opportunities. This includes, but is not limited to, slurs, jokes or degrading comments of a sexual nature; offensive sexual flirtation, sexual advances or propositions; abuse of a sexual nature; graphic verbal comments about an individual's body; sexual innuendo or suggestive comments; sexually oriented "kidding" or "teasing;" unwanted physical touching, such as patting or pinching another's body; and the display in the workplace of sexually suggestive printed or visual materials, clothing, objects or pictures.
- Any conduct such as that described above that targets a person based on race, color, gender, religion, national origin, age, citizenship status, pregnancy, mental or physical disability, veteran status, sexual orientation, genetic information or any other legally protected status.

Every employee must avoid any conduct that reasonably could be interpreted as discrimination or harassment under this policy, even if such conduct was not intended as offensive. All employees are responsible for helping to ensure that we avoid unlawful harassment and are encouraged to take appropriate steps to eliminate conduct that they believe is unwelcome, offensive or in poor taste. Appropriate steps include, but are not limited to, telling the harasser to stop and/or reporting the incident(s) to your Manager or Human Resources.

Reporting Procedures

All employees are responsible for helping to ensure that we prevent harassment, as well as taking steps to stop it if it occurs. If you feel you have experienced, witnessed or become aware of discrimination or harassment, the following steps should be taken:

- Tell the harasser to stop, if feasible.
- Report any incident(s) of harassment, unwelcome or inappropriate behavior as soon as possible to your Manager or to Human Resources. If you are not comfortable going to your Manager or Human Resources, you may contact the CEO.
- File a report via the Company's hotline at www.hbmholdings.ethicspoint.com or 844-348-7619

Complaints will be promptly and thoroughly investigated by Human Resources, including interviewing witnesses and participants. All efforts will be made to ensure the confidentiality of the complaint to the extent possible; however, information, including the identity of the individual lodging the complaint, may be divulged where necessary to fully investigate the matter or comply with applicable law. If it is determined that inappropriate conduct has occurred, the Company will act promptly to eliminate the offending conduct and impose disciplinary action up to and including termination of employment, when appropriate. If it is determined that inappropriate conduct has been committed by one of our customers, vendors or clients, appropriate action to stop the behavior will be taken.

Prohibition on Retaliation

There will be no retaliation or discrimination against any employee who in good faith submits a complaint, reports an incident witnessed, or participates in any way with the investigation of a harassment claim. Managers are prohibited from making any personnel decision or taking any adverse action against any employee because the employee submits a in good faith complaint or cooperates in an investigation of alleged conduct prohibited by this policy. If an employee believes that he/she has been retaliated against for resisting or reporting sexual harassment or other prohibited harassment, he/she should report such retaliation in the same manner as set forth above for employees who have complaints of sexual harassment or other prohibited harassment. Any acts of retaliation may be considered a violation of this policy and corrective action will be taken, up to and including termination.

Alcohol & Drug Policy

The Company has a longstanding commitment to provide a safe and productive work environment. Alcohol and drug abuse pose a threat to the health and safety of employees and to the security of our equipment and facilities. For these reasons, the Company is committed to the elimination of drug and/or alcohol use and abuse in the workplace. For purposes of this policy, the term "illegal drugs" includes the misuse of prescription medication.

This policy outlines the practice and procedure designed to correct instances of identified alcohol and/or drug use in the workplace.

This policy applies to all employees and all applicants for employment of the Company. The Human Resource department is responsible for policy administration. Employees who violate this policy are subject to disciplinary action up to and including termination of employment.

Employee Assistance and Drug-Free Awareness

Illegal drug use and alcohol misuse have a number of adverse health and safety consequences. Information about those consequences and sources of help for drug/alcohol problems is available from the Human Resource department, whose members may refer the individual to the Company's Employee Assistance Program for additional resources.

The Company will assist and support employees who voluntarily seek help for such problems before becoming subject to discipline and/or termination under this or other policies. Such employees may be allowed to use accrued paid time off, placed on leaves of absence, referred to treatment providers and otherwise accommodated as required by law. Such employees may be required to document that they are successfully following prescribed treatment and to take and pass follow-up tests if they hold jobs that are safety sensitive or that require driving or if they have violated this policy previously.

Employees should report to work fit for duty and free of any adverse effects of illegal drugs or alcohol. This policy does not prohibit employees from the lawful use and possession of prescribed medications. Employees must, however, consult with their doctors about the medications' effect on their fitness for duty and ability to work safely and promptly disclose any work restrictions to their supervisor. Employees should not, however, disclose underlying medical conditions unless directed to do so.

Work Rules

The following work rules apply to all employees:

Whenever employees are working, are operating any company vehicle, are present on company premises, or are conducting related work off-site, they are prohibited from:

- Using, possessing, buying, selling, manufacturing or dispensing an illegal drug (to include possession of drug paraphernalia).
- Being under the influence of alcohol or an illegal drug as defined in this policy.
- The presence of any detectable amount of any illegal drug in an employee's body while performing company business or while in a company facility is prohibited.
- The Company will not allow any employee to perform their duties while taking prescribed drugs that are adversely affecting the employee's ability to safely and effectively perform their job duties. Employees taking a prescribed medication must carry it in the container labeled by a licensed pharmacist or be prepared to produce it if asked.
- Any illegal drugs or drug paraphernalia will be turned over to law enforcement and may result in criminal prosecution.

Required Testing

The company retains the right to require the following tests:

- **Post-offer:** All applicants who have received an offer of employment must pass a drug test before beginning work. Refusal to submit to testing will result in disqualification of further employment consideration.
- **Reasonable suspicion:** Employees are subject to testing based on observations by a supervisor of apparent workplace use, possession or impairment. Human Resources must be consulted before sending an employee for reasonable suspicion testing.

Consequences

Applicants who refuse to cooperate in a drug test or who test positive will not be hired. Employees who refuse to cooperate in required tests or who use, possess, buy, sell, manufacture or dispense an illegal drug or alcohol in violation of this policy may be terminated.

The first time an employee tests positive for alcohol or illegal drug use under this policy, the result will be discipline up to and including discharge.

Confidentiality

Information and records relating to positive test results, drug and alcohol dependencies and legitimate medical explanations provided to the medical review officer (MRO) shall be kept confidential to the extent required by law and maintained in secure files separate from normal personnel files.

Inspections

The Company reserves the right to inspect all portions of its premises for illegal drugs, alcohol or other contraband. All employees, contract employees, and visitors may be asked to cooperate in inspections of their persons, work areas and property that might conceal illegal drugs, alcohol or other contraband. Employees who possess such contraband or refuse to cooperate in such inspections are subject to appropriate discipline up to and including discharge.

Crimes Involving Drugs

The Company prohibits all employees from manufacturing, distributing, dispensing, possessing or using an illegal drug in or on company premises or while conducting company business. Employees are also prohibited from misusing legally prescribed or over-the-counter (OTC) drugs. Law enforcement personnel shall be notified, as appropriate, when criminal activity is suspected.

Media Relations

HBM Holdings policies regarding employee conduct, confidentiality and computer use as described elsewhere in this Handbook, also apply to the news media. This policy applies to all HBM Holdings employees, contractors and others working on our premises.

Local, regional and national media outlets can play a significant role in shaping public opinion and the understanding of our Company. Therefore, it is essential always to present the media with information that is updated and consistent. All media inquiries and requests for interviews should be coordinated and sent to the Business Development Coordinator as quickly as possible.

News media include print media (newspapers, magazines), broadcast news (radio and television), and the Internet (online newspapers, news blogs, etc.).

A media inquiry would be considered any request for information (to be published or for informational purposes) from a representative of the media.

When receiving a media inquiry or interview request, use the media call sheet. You should:

- Refrain from providing any information. Tell them you will have a Company representative return the call promptly.
- Use the HBM media call sheet to gather details, including the reporter's name, news affiliation, goal of the inquiry, phone number, email and deadline.
- Immediately provide the information that you have gathered to the contact(s) listed on the media call sheet.

A designated member of the executive team will work with you to gather the requested information and meet the necessary deadlines.

IMPORTANT: Only approved Company spokespeople are permitted to conduct media interviews on behalf of HBM Holdings. If you are formally or informally approached for an interview by any member of the media, or asked to speak on the Company's behalf, your response should be that you are "not in a position to speak on behalf of the Company, but you will be happy to connect them with someone who can answer their questions."

Social Media Policy

The Company understands that social media can be a fun and rewarding way to share your life and opinions with family, friends and co-workers around the world. However, use of social media also presents certain risks and carries with it certain responsibilities. To assist you in making responsible decisions about your use of social media, we have established these guidelines for appropriate use of social media.

This policy applies to all employees who work for the Company.

Managers and supervisors should use the supplemental Social Media Management Guidelines for additional guidance in administering the policy.

Guidelines

In the rapidly expanding world of electronic communication, social media can mean many things. Social media includes all means of communicating or posting information or content of any sort on the Internet, including to your own or someone else's web log or blog, journal or diary, personal web site, social networking or affinity web site, web bulletin board or a chat room, whether or not associated or affiliated with the Company, as well as any other form of electronic communication.

The same principles and guidelines found in the Company's policies and three basic beliefs apply to your activities online. Ultimately, you are solely responsible for what you post online. Before creating online content, consider some of the risks and rewards that are involved. Keep in mind that any of your conduct that adversely affects your job performance, the performance of fellow co-workers or otherwise adversely affects members, customers, suppliers, people who work on behalf of the Company or the Company's legitimate business interests may result in disciplinary action up to and including termination.

Know and follow the rules

Carefully read these guidelines, the Company's Business Ethics Policy, the Company's Harassment-Free Workplace & Non-Discrimination Policy, and ensure your postings are consistent with these policies. Inappropriate postings that may include discriminatory remarks, harassment, and threats of violence or similar inappropriate or unlawful conduct will not be tolerated and may subject you to disciplinary action up to and including termination.

Be Respectful

Always be fair and courteous to fellow co-workers, customers, members, suppliers or people who work on behalf of the Company. Also, keep in mind that you are more likely to resolve work-related complaints by speaking directly with your co-workers or by approaching management or HR rather than by posting complaints to a social media outlet. Nevertheless, if you decide to post complaints or criticism, avoid using statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, threatening or intimidating, that disparage customers, members, co-workers or suppliers, or that might constitute harassment or bullying. Examples of such conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, color, gender, religion, national origin, age, citizenship status, pregnancy, mental or physical disability, veteran status, sexual orientation, genetic information or any other status protected by law or company policy.

Be honest and accurate

Make sure you are always honest and accurate when posting information or news, and if you make a mistake, correct it quickly. Be open about any previous posts you have altered. Remember that the Internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or rumors that you know to be false about the Company, fellow co-workers, members, customers, suppliers, people working on behalf of the Company or competitors.

Post only appropriate and respectful content

- Maintain the confidentiality of the Company trade secrets and private or confidential information. Trade secrets may include information regarding the development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures or other internal business-related confidential communications.
- Respect financial disclosure laws. It is illegal to communicate or give a "tip" on inside information to others so that they may buy or sell stocks or securities. Such online conduct may also violate the Insider Trading Policy.
- Do not create a link from your blog, website or other social networking site to the Company website without identifying yourself as a Company employee.
- Express only your personal opinions. Never represent yourself as a spokesperson for the Company. If the Company is a subject of the content you are creating, be clear and open about the fact that you are an employee and make it clear that your views do not represent those of the Company, fellow co-workers, members, customers, suppliers or people working on behalf of the Company. If you do publish a blog or post online related to the work you do or subjects associated with the Company, make it clear that you are not speaking on behalf of the Company. It is best to include a disclaimer such as "The

postings on this site are my own and do not necessarily reflect the views of HBM Holdings."

Using social media at work

Refrain from using social media while on work time or on equipment we provide, unless it is work-related as authorized by your manager or consistent with the Computer Usage Policy. Do not use the Company's email addresses to register on social networks, blogs or other online tools utilized for personal use.

Retaliation is prohibited

The Company prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another associate for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to and including termination.

Media Contacts

Employees should not speak to the media on the Company's behalf without contacting the CEO or his or her designee. All media inquiries should be directed to them.

For more information

If you have questions or need further guidance, please contact the Human Resources Department.

Computer Usage Policy

Purpose

The purpose of the Computer Usage Policy is to educate employees on the privileges, responsibilities and the risks of using Company computers and to provide requirements and guidelines related to the use of computers. The Company works to create and maintain a safe and efficient working environment. Each employee is required to understand and comply with this Policy. Violation of this Policy will result in disciplinary action up to and including termination of employment.

Software

In order to ensure the effective use of Company computers, each employee must comply with the following software related requirements:

- No software should be purchased or installed on Company computers, without the written approval of the Director of Information Technology.
- Software licensed to the Company will not be installed on personal (non-Company) computers, without the written approval of the Director of Information Technology.
- Downloading software from the Internet for use on any Company computer is not permitted, without the written approval of the Director of Information Technology.
- The Company does not allow the illegal duplication of software.

Hardware

Computer hardware includes the physical components of a computer system and any peripheral equipment such as printers, modems, and input/output devices.

All computer hardware will be purchased by Information Technology or with the written approval of the Director of Information Technology. Information Technology will dispose of all computer hardware in an environmentally safe manner, after ensuring that all confidential information has been removed. Hardware not owned by the Company can only be attached to the network with the written approval of the Director of Information Technology. Some Company locations have a guest wireless network which is intended for use by vendors, contractors or other invited visitors to access email, presentations, etc. from non-Company owned computers. This network is password protected and will not allow access to our internal files and systems. Employees should not use the guest network for connection of Company owned or personal mobile devices. Requests for visitor access to this network should be made by an employee to Information Technology.

Security

All systems that are available for use with passwords will have an active password and must comply with the following guidelines:

- Will be kept confidential and will not be written down in an unsecured area.
- Will not be formal words or names and will comply with defined standards.
 - Password standards are defined by Information Technology to mitigate security risk and may require a minimum number of characters with a combination of capital letters, lowercase letters, numbers and/or special characters.
- Network passwords will expire every 60 days.
- All Company computers must have a password protected screen saver that is activated after a maximum of 15 minutes of sitting idle.
- All laptops must be secured with a power-on password and use of a physical cable/lock is required.
- Employees should not make any attempts to deactivate or circumvent virus scanning software.
- All critical Company files should be saved to the network as opposed to the user's local storage. Files saved to the network are backed up regularly. Files on local computer drives will be lost in the event of failure.

Additionally, with the increase of remote devices that access the Company's network such as, smart-phones and PDAs, the following requirements exist for these items:

- Report any lost or stolen devices to Information Technology immediately.
- Do not download potentially harmful third-party applications to these devices without review and written approval from the Director of Information Technology.
- Employee-owned personal devices are not permitted to be connected to the Company network without approval of the Director of Information Technology. Decision to permit access from personal devices will be dependent on:
 - Sufficient business benefits resulting from remote access to email or systems.
 - Use of a compatible device. Employees who are interested in using their personal devices for business access should consider selecting devices that match existing Company standards. Although the Information Technology group is not responsible for the support of personal devices, access is simplified by the use of standard devices.
 - Agreement to personal device policy which outlines the terms of use. If the device is lost or employment with the Company ends, the Company reserves the right to wipe it clean to ensure no confidential Company information is retained on the device.
 - Technology and licenses available to manage Company data on personal devices.

Electronic Mail

The Company email system is intended for business purposes only. Use for informal or personal purposes is permissible within reasonable limits. All email records on the Company's email system are property of the Company. Company records including email records are subject to disclosure to law enforcement, government officials or to other third parties through subpoena. Employees should always ensure that the business information contained in email messages is accurate, appropriate and lawful. Email messages by employees may not necessarily reflect the views of the Company, its Officers, Directors or Management.

The Company has the right to regularly review employees' email records. Employees have no rights or expectations of privacy in email. Unauthorized use includes, but is not limited to: transmitting or storing offensive material; compromising the security of the Company's information; infringing on the copyright of third parties or soliciting for political, personal, religious, charitable, or other commercial ventures outside the scope of the users' Company responsibility. Among the material that is considered offensive are comments that violate Company policy of harassment free workplace. The Company policies against sexual or other harassment apply fully to email usage. Storage of email and attachments should comply with the defined Company data retention schedule.

Internet

The Internet is a useful communication tool in any business. It helps to conduct research, place orders and promote the daily business. In order to have safe use of the Internet, each employee should follow these policies:

- Internet usage for personal purposes is allowed in moderation, as long as Company policies are not violated in doing so.

- Much of the material on the Internet is copyrighted or otherwise protected by intellectual property law (for instance, by license agreement). Employees must investigate intellectual property rights for all material discovered on the Internet before using it for any other purpose. Images should not be copied and used unless specifically stated that they are free for business use.
- Certain non-business web sites may be blocked. Employees who discover they have connected to a web site that contains sexually explicit, racist, or other potentially offensive material must immediately disconnect from that site. The ability to connect with a specific web site does not in itself imply that employees are permitted to visit that site.
- Unless expressly authorized by the appropriate department, when using the Internet all employees are forbidden from participating in Internet discussion groups, chat rooms, or other public electronic forums where they identify themselves as an employee of the Company.
- Use of the Internet and Company resources must not disrupt the operations of the Company's network.

The Company monitors internet usage on a regular basis. Violation of this Policy will result in the appropriate discipline.

Privacy

Information that has been stored, created, received or sent using the Company computer systems or electronic devices is the property of the Company and the Company has the right to review such usage. Employees have no right to privacy when using the Company's computers, electronic devices or email systems.

Reporting Violations

Employees have an obligation to report actions or events that may constitute a violation of the Code, Company policies or the law if the employee in good faith believes that a violation may have occurred. The employee should promptly report such information to Human Resources, the CEO or the Hotline. Reports may be filed using the website or telephone number provided below:

www.hbmholdings.ethicspoint.com

844-348-7619

Employees play an important role in upholding HBM's values, including ethical conduct. An employee's failure to report reasonably suspected violations will result in a range of actions from a coaching session up to and including termination of employment, as Management may, in its sole discretion, determine to be appropriate.

COMPENSATION

Job Description

The Company has developed a job description for most positions. These descriptions were written to identify the essential functions of a particular position, as well as certain ADA/AA specifications. In addition, job descriptions are utilized when evaluating job performance.

The written description is not considered to be an all-inclusive binding contract, or a limitation upon appropriate assignments that may be made to you. You may be asked to perform duties that are not specifically a part of your stated job description.

Job descriptions are periodically reviewed and updated as necessary. If you feel that your job duties have changed substantially, discuss your thoughts with your Manager.

The Performance Review

Managers are encouraged to have on-going performance discussions with employees. Additionally, salaried employees have a formal performance review on an annual basis. This provides an opportunity for you and your Manager to discuss your performance on the job, as well as your strengths and areas for improvement. During this review, your Manager may also discuss the results you have achieved, ways to improve your performance, goals and objectives for the next year, and the pattern of performance expected of you in the future.

Compensation

The Company has established a compensation plan to attract qualified candidates and retain and reward employees who perform well. Your pay rate is based upon your position compared to the market, qualifications, abilities, responsibilities, performance, internal equity and general economic factors. Questions regarding your salary should be reviewed with your Manager.

Payroll Deductions

When you begin employment with the Company, you must complete a W-4 tax form declaring any dependents. It is the employee's responsibility to determine the appropriate number of deductions and notify the Payroll Department.

Deductions will be automatically made for the following:

- Federal and State Income Tax Withholding;
- Social Security (FICA) / Medicare;
- Other items designated by or for the benefit of the Employee, or required by state law; and/or
- If applicable, court ordered wage deductions, wage assignments, support order and/or other legal requirements.

In January of each calendar year, you will be supplied with your Wage and Tax Statement (W-2) Form for the prior calendar year. This statement summarizes your income and deductions for the year. If you have any questions regarding these deductions, please contact the Payroll Department.

Any employee who feels an improper salary deduction has been made should alert payroll immediately. The issue will be investigated and corrected, if appropriate, and good faith efforts will be made to ensure it does not happen again.

FLSA Exempt Salary Deductions & “Safe Harbor” Policy

The Fair Labor Standards Act (“FLSA”) provides standards for overtime pay. An employee who is not eligible for overtime pay (“Exempt Employee”) must, in most cases, be paid on a salary basis. Accordingly, deductions from an Exempt Employee’s pay are prohibited except in certain situations. This policy outlines those situations and implements an employee complaint mechanism for improper salary deductions. The Company makes a good faith effort to comply with all aspects of the FLSA including, but not limited to, salary deductions.

Exceptions

An Exempt Employee paid on a salary basis must receive his/her full salary for each work week except in the following situations:

- Deductions from pay may be made when an Exempt Employee is absent from work for one or more full days for personal reasons, other than sickness or disability.
- Deductions from pay may be made for absences of one or more full days occasioned by sickness or disability (including work-related accidents) if the Exempt Employee has already exhausted all available sick pay under a bona fide sick pay plan.
- While full day deductions cannot be made for absences of an Exempt Employee occasioned by jury duty, attendance as a witness or temporary military leave, the Company can offset any amounts received by an Exempt Employee as jury fees, witness fees or military pay for a particular week against the salary due for that particular week.
- Deductions from pay of an Exempt Employee may be made for penalties imposed in good faith for infractions of safety rules of major significance.
- Deductions from pay of an Exempt Employee may be made for unpaid disciplinary suspensions of one or more full days imposed in good faith for infractions of workplace conduct rules. Such suspensions must be imposed pursuant to a written policy applicable to all employees.
- The Company is not required to pay the full salary in the initial or terminal week of employment. Rather, the Company may pay a proportionate part of an Exempt Employee's full salary for the time actually worked in the first and last weeks of employment.

Complaint Mechanism

The Company will reimburse any Exempt Employee whose pay is reduced in violation of this Policy. If you feel your pay has been improperly reduced, please notify your Manager or Human Resources Department. Human Resources will investigate the facts and circumstances surrounding the complaint and determine if the deductions were made in compliance with this Policy.

Overtime

Non-Exempt Salaried Employees

Non-exempt salaried employees are expected to work overtime when requested by your Manager. When possible, your Manager will communicate the need for overtime in advance so that you can plan for it. When an immediate need for overtime arises, advance notice may not be possible. Your Manager must authorize all overtime worked in advance. Employees are required to accurately report all hours worked to their Manager, regardless of circumstances. Falsification of time records, including the failure to report all hours worked, is grounds for disciplinary action, up to and including termination.

Exempt Salaried Employees

This classification may include professional, executive and administrative personnel, as well as certain sales positions. Exempt employees are paid a stated salary regardless of the number of hours worked and do not receive extra pay for overtime work, in accordance with all federal, state and local laws.

Paycheck Information

HBM employees are paid on a bi-weekly basis. Your paycheck will be direct deposited into your designated account with your financial institution. Limits may be placed on the number of accounts to which you are able to deposit your earnings.

BENEFITS

The Company maintains a comprehensive benefit program for employees. Programs are available to provide financial and retirement benefits, protection against illness or injury, as well as disability and death benefits.

These benefit plans are explained in detail in summary plan descriptions provided to you by the Company. Eligibility for dependents to participate in the benefit program is explained in the benefit Summary Plan Description (SPD) which can be obtained through Human Resources. It is your responsibility to notify Human Resources to add or delete a dependent from the benefit plan.

The Company reserves the right, in its sole discretion, to change, modify, or eliminate any Company benefit, as permitted by law. Further, the specific provisions of any benefit plan govern and supersede any statement or provision contained in this Handbook.

Bereavement Leave

The Company understands the impact that death can have on an individual or a family and therefore provides paid time off. The Company grants leave, for either a funeral or memorial service, for family members. The Company may require proof of death and relationship to the deceased. In general, up to three (3) consecutive scheduled work days of bereavement may be granted when a family death occurs, though situations will vary based on the circumstances. Manager approval is required.

Temporary employees will be granted necessary time off without pay.

Insurance Continuation upon Separation (COBRA)

If you are an employee covered by the Company's group health plan, you may have the right to choose Continuation Coverage if you lose your group health coverage because of a qualifying event, such as a reduction in your hours of employment or termination of your employment, except for reasons of gross misconduct on your part. Certain family members may also have rights to Continuation of Coverage if you lose group health coverage.

If you have any questions regarding Continuation Coverage, or to determine if you are eligible for such coverage, please contact Human Resources to request the information and the necessary forms needed to continue your coverage. More detailed information is provided to all employees upon hire and upon the occurrence of a qualifying event.

Company Paid Training

It is the Policy of the Company to provide training programs at the Company's expense for the benefit of employees. Such programs include in-house training as well as specialized courses outside the Company. Your participation in job training programs and specialized training courses is encouraged, and certain training may be mandatory to help you develop a better understanding of your job, as well as assisting in your career development.

The Human Resources Department and your Manager are responsible for reviewing and approving all training programs for the Company. If an employee would like to attend a seminar, their individual department will handle completion of the seminar application and payment process. After a seminar is attended the information should be passed to Human Resources for record purposes.

Education Assistance

The Company provides educational assistance for employees to enhance their current skills and education. The Company will reimburse, within the financial provisions set forth herein, any eligible full-time employee who satisfactorily completes a Company-approved undergraduate course through an accredited educational institution with a grade of "C" or better. A grade of "B" or better is required for graduate courses.

The Human Resources Department is responsible for the general administration of this Policy. Educational programs approved prior to the effective date of any change in this Policy will not be affected.

Eligibility

For the purpose of this Policy, eligible employees are regular full-time employees with six or more months of continuous full-time service prior to enrollment in an approved course of study. In order to receive Education Assistance, employees must be meeting

performance expectations as determined by their Manager. Also, employees who currently receive educational benefits from any other source for the course of study, such as the Veterans Administration, are eligible for tuition reimbursement for the balance of all educational expenses not covered under another program.

Approved Programs

Undergraduate Degrees and Technical Skills Programs

Coursework completed under this Policy must be related to the employee's present or future work assignments or to the completion of a degree. The course must be offered by fully accredited or state-approved secondary schools, trade schools, technical institutions or colleges and universities.

The Company maintains the right to reject a course request that is neither related to the employee's work nor required to complete a degree. Participation in this program is voluntary, and courses are to be taken on the employee's own time.

Post-Graduate Degrees

Coursework toward post-graduate degrees (Masters or post-doctoral programs) is intended to be job-related. Unless part of a structured development plan, graduate degree coursework is capped at the IRS limit annually. For 2016, this limit is \$5,250 but may be adjusted annually with the IRS. Manager approval is required for reimbursement.

Application (Requesting Pre-Approval)

Pre-approval of any course is required. The employee should obtain an application form from the Human Resources Department or the Company Intranet. The pre-approval portions of the form must be fully and accurately completed, including an estimate of costs to be incurred, and submitted to the Human Resources Department and his or her Manager IN ADVANCE OF the start of any desired educational program. Failure on the employee's part to receive pre-approval from the Human Resources Department and Manager for the course will lead to refusal by the Company to reimburse the employee for the costs incurred. The application, if approved, will be returned to the employee, to be retained until completion of the course.

Reimbursement

Unless caps are otherwise stated, the Company will reimburse the employee 100% of the costs of approved coursework for tuition, books, and registration and laboratory fees.

Reimbursement will not cover fees for parking, activities, penalties for late registration, or other miscellaneous costs including items that would be considered personal property after completion of the course.

After completion of the course with a satisfactory grade. In accordance with this Policy, the employee is to complete the reimbursement section of the application form, attach the necessary documents and receipts for covered expenses, and submit them to his or her Manager for appropriate approvals. The Human Resources Department will process the completed application for reimbursement.

Educational assistance payments are sometimes deemed taxable to the employee. An employee planning to be reimbursed under the educational assistance program should consult with their personal tax advisor to ascertain the current tax treatment. Any amounts determined to be taxable in a given year will be included in the W-2 for the year in which the benefits were paid and subject to the appropriate withholding for taxes.

Professional Certification

The Company will pay the cost for an employee's professional certification, if it is beneficial to the performance of the employee's work assignments.

Termination

Employees who voluntarily terminate within one year of receiving educational assistance, agree to reimburse the Company for all educational assistance funds paid by the Company.

Family & Medical Leave (FMLA)

To be eligible for an unpaid, job-protected Family and Medical Leave ("FML"), an employee must work at a location where at least

fifty (50) employees are located within a 75-mile radius; have worked for the Company for at least twelve (12) months; and have worked at least 1,250 hours during the twelve-month period immediately preceding the commencement of FML.

Definitions

- **Child** – A biological, adopted or foster child, a stepchild, a legal ward, or a child of a person standing in loco parentis who is either under the age of 18 or over 18 but incapable of self-care due to a mental or physical disability.
- **Son or Daughter** – The covered service member’s biological, adopted or foster child, stepchild, legal ward, or a child for whom the service member stood in loco parentis (in place of), and is of any age.
- **Parent** – Biological, adoptive, step or foster father or mother, or any other individual who stood in loco parentis to a covered service member. The term does not include a parent-in-law, i.e. the parent of an employee’s spouse.
- **Next of Kin** – Nearest blood relative (other than the spouse, parent, son or daughter) of a covered service member, in the following order of priority: blood relatives with legal custody of a service member; brothers and sisters, grandparents, aunts and uncles, and first cousins; or another blood relative, as designated by a service member.
- **Spouse** – For purposes of this FML Policy, the term “spouse” means a husband or wife as defined or recognized in the state where the individual was married and specifically includes individuals in same-sex and common law marriages. If an individual was married outside the United States, the marriage relationship must have been able to be entered into in at least one state within the United States. “Civil unions” are not considered marriages under the FMLA.

FML – Up to 12 Weeks

An unpaid leave of up to twelve (12) weeks in a rolling 12 month period looking back may be taken for the following reasons:

- Birth and/or care of a newborn child of the employee;
- Placement of a child with the employee for adoption or foster care;
- To care for the employee's spouse, child or parent who has a serious health condition;
- A serious health condition that renders the employee unable to perform the essential functions of the employee's position; or
- Any qualifying exigency arising from the employee’s spouse, son, daughter or parent who is a covered military member on active duty or being called to covered active duty in the Armed Forces for one or more of the following:
 - Short-notice deployment;
 - Military events and related activities;
 - Childcare and school activities;
 - Financial and legal arrangements;
 - Counseling;
 - Rest and recuperation;
 - Post-deployment activities; and/or
 - Other activities arising out of the military member’s active duty, agreed to by the Company and the employee.

Please note that there are differences between the definition of Serious Injury or Illness for a service member or veteran, and Serious Health Condition under general FMLA. Consult with Human Resources for further information regarding this matter.

FML – Up to 26 Weeks

An unpaid leave of twenty-six (26) weeks per service member in a twelve (12) month period may be taken for the following reasons:

- To care for the employee's spouse, son, daughter, parent or next of kin who is a Covered Service Member (a current or veteran member of the Armed Forces, including the National Guard or Reserves) who is undergoing medical treatment, recuperation or therapy or is otherwise on the temporary disability retired list for a serious illness or injury incurred in the line of duty (or that existed before the beginning of the member’s active duty and was aggravated by service in the line of duty) and that may render the member medically unfit to perform the duties of the member’s office, grade, rank or rating.
- To care for the employee’s spouse, son, daughter, parent or next of kin who is a Covered Service Member and who is undergoing medical treatment, recuperation or therapy for a serious injury or illness that was incurred in the line of duty in

the Armed Forces (or that existed before the beginning of the member's active duty and was aggravated by service in the line of duty) and that manifested itself before or after the member became a veteran. The veteran must have been a member of the Armed Forces at any time during the 5-year period preceding the date of treatment.

Again, there are differences between the definition of Serious Injury or Illness for a service member or veteran, and Serious Health Condition under general FMLA. Consult with Human Resources for further information regarding this matter.

Requesting FML

A request for FML must be submitted by the employee to the Company's designated Third Party Leave Administrator ("Leave Administrator"). The request should be submitted at least thirty (30) days before the leave is to commence, or as soon as possible if thirty (30) days' notice is not possible. Appropriate forms must be submitted to the Leave Administrator to initiate FML and to return the employee to active status. The employee may be required to complete a medical certification form, which will need to be signed by the employee or his/her family member's health care provider. If applying for leave for a qualifying exigency, the employee may be required to provide a copy of the military orders, or similar documentation that attests the need and approximate dates of the exigency leave.

Failure to submit the required forms or submission of an incomplete medical certification form may be grounds for delay or denial of leave. Misrepresentation of facts concerning the need for a leave of absence may result in disciplinary action, up to and including termination.

Calculation

The amount of FML available to an eligible employee at any given time will be calculated by looking backward at the amount of leave taken within the twelve (12) month rolling period immediately preceding the requested FML.

Accrued unused vacation, and any other available applicable paid leave options, must be applied concurrently with FML. If no paid time is available, FML is unpaid. Paid time off and unpaid time together will not exceed the allotted FML maximum.

Health Insurance Coverage While on FML

- **Company Responsibility:** The Company will continue to provide health insurance coverage under the same conditions as its employees who are not on FML. If the employee is eligible for paid time off, his/her portion of the insurance premium will be deducted from his/her paycheck in the usual manner.
- **Employee Responsibility:** An employee who is on unpaid FML remains responsible for paying his/her portion of the insurance premium by the first day of the month in which it is due. Payments may also be made prior to the leave and must be submitted to Human Resources. Failure to pay premiums in a timely manner may result in a lapse of coverage.
- **Benefits:** An employee on FML must make arrangements to pay all other benefit deductions during a period of unpaid FML. If the employee does not make such payments, he/she will nevertheless be restored to the health insurance plan with no break in service upon return from FML; however, he/she must repay the Company for any additional expense incurred by the Company for reinstating his/her coverage.

If he/she does not return to the Company following an unpaid FML, he/she may be required to repay any insurance premiums paid by the Company during the leave, unless he/she does not return because of the presence of a serious health condition that prevents the employee from performing his/her job or circumstances beyond the control of the employee. If you have any questions about the application of this Policy to your particular situation, contact Human Resources.

Benefits Accrual

Employment benefits accrued by the employee up to the day on which the FML begins will not be lost. During the FML, the employee will not receive pay for holidays. During unpaid FML, the employee will not accrue additional benefits.

Return to Work

Employees who return to work from FML before or on the business day following the expiration of authorized leave are entitled to return to their job or an equivalent position without loss of benefits or pay.

An employee who fails to return to work immediately following expiration of the authorized leave period may be considered to have voluntarily resigned.

All leave taken under this Policy, and leave for any other reason which could qualify under FML, will be designated by the Company as FML to be counted toward the employee's leave entitlement under FML.

Exceptions

If the Company employs both spouses, the combined FML for the birth or placement of a child will not exceed twelve (12) weeks.

In the case of leaves for serious health conditions, the leave may be taken intermittently or on a reduced-hours basis, only if such leave is medically necessary. If intermittent or reduced-hours leave is required, the Company may, in its sole discretion, temporarily transfer the employee to another job with equivalent pay and benefits that better accommodates that type of leave.

HIPAA Privacy

The Company acknowledges participants' privacy rights as specified in the Privacy Rule of the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 and its amendments ("HIPAA"). The Company has implemented policies and procedures to ensure these privacy rights are protected.

In conducting the operations of the HBM Holdings Health Plan, the Company manages Protected Health Information ("PHI") in a manner that prevents unnecessary or inadvertent access to, use of or disclosure of PHI.

Participants in the Company Health Plan have the right to review their PHI, as well as request restrictions on how and to whom their PHI is communicated. Any violation of this Policy should be reported to Human Resources. The Company will not discriminate or retaliate against any participant for making such a request or reporting a violation of this Policy. Complete information regarding the Company's HIPAA Privacy Policy and Procedures may be found on the Company Intranet or may be obtained from Human Resources. This Policy is also given to all employees at the time of their hire. Any violation of this Policy may result in disciplinary action, up to and including termination.

Holidays

There are eight (8) national holidays on which the Company's offices are closed. Eligible employees also accumulate two (2) annual personal days. Employees hired after April 1 will receive only one personal day for the calendar year. The national holidays are:

- New Year's Day
- Martin Luther King Jr. Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Day

When a designated holiday falls on a Saturday, the Company observes the Friday before as the holiday. When a designated holiday falls on a Sunday, the following Monday will be observed as the holiday.

Personal days are to be used during the current calendar year and shall not be carried over. Unused personal days at year-end will be forfeited, unless state laws dictate otherwise. Similarly, unused personal time will not be paid at termination (voluntary or involuntary).

If a holiday occurs during an employee's scheduled vacation, he/she will be paid for the holiday and will not be charged for a vacation day.

For part-time employees if a holiday falls on a regularly scheduled work day, the employee will be paid that day. If the holiday does

not fall on a regularly scheduled work day then the employee will not be compensated.

Jury Duty

Service on a jury is a civic duty, which should not be avoided. The Company encourages employees to perform jury duty, and hopes each employee will respond to this obligation when summoned. Letters requesting that employees be relieved of jury service will not be provided unless your attendance at work is absolutely essential.

Upon receipt of a summons for jury duty, an employee is required to immediately notify his or her Manager of the summons and the date(s). A copy of the summons should be given to the Manager and to the Human Resources Department.

During the time an employee is required to report and/or serve on jury duty, they will be paid their regular base pay rate.

If you are scheduled for jury duty but are released from such duty in time to complete three or more hours of work during your normal hours on that day, you are expected to report for work.

Medical Leave/Short Term Disability

The Company may grant paid leaves of absence of up to 180 calendar days to employees who are temporarily unable to work due to his/her own medical condition.

Eligible employees will be compensated at their regular base rate of pay for the first two (2) weeks of any approved medical leave under this policy. If the leave should extend beyond two (2) weeks, employees with less than one (1) year of employment on the start date of leave will be granted fifty percent (50%) of their regular base rate for the remainder of approved leave to a maximum of 180 calendar days. An employee who has worked for the Company for at least one (1) full year prior to the first day of leave will receive one hundred percent (100%) of their regular base rate of pay for the remainder of approved their leave to a maximum of 180 calendar days.

Requests for leave in accordance with this policy are to be submitted to the Company's Third Party Administrator ("TPA") by/on the third day of the related absence. The employee must provide sufficient medical verification to the TPA in order to determine eligibility. The TPA will ask the employee questions regarding the reason for the leave, expected duration, treating physician contact information, etc. Physician verification will also be required. The Company reserves the right to send an employee to a physician of the Company's choice for a second opinion to verify the need for leave. Prior to returning to work, the employee must provide a full release to the TPA.

Once an employee returns from approved leave lasting more than (30) thirty days, he/she will not be eligible for vacation time off for a period of (1) one month unless the employee had previously scheduled and received approval for vacation prior to their medical leave.

All forms of paid and unpaid authorized leave shall run concurrently with Family and Medical Leave, if applicable.

Military Leave

The Company supports and complies with all laws and regulations as set forth in Uniformed Services Employment and Reemployment Rights Act ("USERRA") and any other applicable, related regulation(s). It is the policy of the Company to grant an appropriate military leave to all employees who enter military service for the performance of duty on a voluntary or involuntary basis, as such leave is mandated by applicable law. Employees are required to request leave for military duty, as far in advance as possible, unless giving such notice is impossible or unreasonable. A written request or a copy of the military orders must be provided to the Human Resources department in order for the leave to be approved.

Parental Leave

Regular full-time and regular part-time employees are eligible for parental leave following 6 months of employment. If an employee and his/her spouse are both employees, only one employee can utilize the financial benefits, but leave may be shared between two parents.

Eligible employees may receive up to two weeks of paid leave following the birth or adoption of a child. All time off permitted under

this policy will be integrated and run concurrently with leave allowed under the Family and Medical Leave Act, such that a day off counts both as Parental Leave and Family and Medical Leave. Parental leave must be taken within one year of the birth or adoption of a child and may not be taken intermittently.

Scholarships

Each year, the Company offers scholarships to the children of full-time active employees. Human Resources will post an announcement each spring explaining how and when to apply for consideration. The Scholarship Committee (as appointed by the CEO) selects the scholarship recipients based upon criteria set by the Company. Children of Officers of HBM or any of the portfolio companies are not eligible to receive the scholarships.

Statutory Benefits

Social Security/Medicare

The Federal Insurance Contributions Act (FICA) directs employers and employees to contribute a percentage of employees' wages to Social Security. These funds provide retirement and long-term disability benefits. The employee's share of these taxes is deducted from the employee's paycheck and is sent with the employer's portion to the appropriate government agency.

Workers' Compensation

Workers' Compensation benefits are intended to compensate employees incurring job-related injuries or illnesses. If you are injured on the job, no matter how minor the injury, or become ill with a job-related illness, you should notify your Manager immediately. The amount and length of Workers' Compensation benefits is established by state law.

Vacation

Because HBM Holdings recognizes the importance of time off work, the Company provides paid vacation time to full-time employees for this purpose and employees are encouraged to take vacation during the year. The following schedule is for full-time employees. Part-time employees who are regularly scheduled to work 30 or more hours per week are eligible on a pro rata schedule.

The vacation entitlement is based on completed years of service as of an employee's hire date:

Years of Service	Vacation Accrual
Less than 1 year of service	Prorated from their hire date
1-10 years of service	15 days
10 or more years	20 days

Vacation Allotment –

- **Current Employees** – On January 1, current employees will receive their annual vacation allocation. It is the employee's obligation – in partnership with their Manager – to ensure his/her vacation time is kept up-to-date and subtracted appropriately. The higher allocation of annual vacation days will take effect at the beginning of the calendar year in which the employee completes the tenth year of service.
- **New Hires** - Employees hired during the course of the year will have their vacation time prorated from their hire date through the end of the year. Employees hired before the 15th of the month will receive credit for the month.
- **Re-Hires** – The vacation allotment for rehired employees is based upon their rehire date unless the time between their termination and rehire was less than 1 year. In that instance, the vacation allotment would be based on the employee's original hire date.
- **Termination & Disability** – Earned days include the total prorated days earned within the time period worked before termination and any available carried-over vacation time from the prior year, up to the maximum accrual amount. For purposes of calculating vacation payout, time will be pro-rated off of the actual days worked. Vacation time may not be used in the time between an employee's notice of resignation and the employee's final day of employment unless approved in writing by the employee's Leader. Employees who are on disability status or who are on a leave of absence as

of January 1 will receive their vacation allotment upon their return to work. An employee who is discharged for misconduct or who fails to give appropriate notice of resignation will not be paid for unused vacation days unless otherwise required by law.

- **Carryover** – Employees will be permitted to carry over up to 10 days of accrued unused vacation to the following calendar year.

OTHER POLICIES

Cell Phone Policy

Many employees routinely use their own and/or a rental/leased automobile in the course of conducting business. These employees frequently use mobile telephones while driving on company business.

The Company encourages all employees to be defensive drivers. Defensive drivers avoid distractions from the road and are watchful for drivers who may become distracted from the road. Distractions that may occur while driving an automobile can result from eating, drinking, adjusting a radio, using in-vehicle electronic equipment such as mobile phones, texting, and attempting to look up or write information.

The Company strongly encourages employees to avoid the above distractions to safely operating their automobile, especially those caused by the use of a mobile phone. The Company's expectation is that all employees will adhere to all federal, state and local statutes and ordinances while driving on company business.

Employees who use a mobile phone while driving on company business must follow these guidelines:

- Safe driving is your first priority
- Be familiar with the operation and features of your mobile phone
- Always use a hands-free device or hands-free phone when dialing, speaking and listening
- Let the person with whom you are speaking know that you are driving while talking
- In case of hazardous weather, heavy traffic or other abnormal road conditions, terminate the call or pull safely off the road if you must continue the conversation
- Avoid attempting to look up or write information or looking away from the road while driving and/or on the phone
- Avoid engaging in stressful or emotional conversations that might divert your attention from the road

For employees who use a mobile phone daily in the performance of their job duties, the Company reimburses the purchase/rental of a hands-free device in order to make business calls while driving as safe as possible. For all other employees who do not regularly use a mobile phone in the performance of their job duties, the Company requires either the use of a hands-free device or hands-free mobile phone or that the employee safely pull off the road prior to making or receiving calls.

Additional Cell Phone Services

For instances where basic phone service for iPhones or Smart phones is paid by the Company, a personal credit card must be used when establishing any additional services or accessories (iTunes account, screen protector, etc.).

Protecting Confidential and Proprietary Information

Use of Company cell phones for communication should comply with Company policies regarding confidentiality. The prevalence of cameras in cell phones can be used for beneficial business purposes, but distribution of still images or video that discloses anything of a confidential or proprietary nature is prohibited. All Company-issued phones or phones which access Company email can be wiped remotely by the Company's IT department if circumstances necessitate.

Company Credit Card Usage

Company Credit Cards ("Company Card") are provided to certain employees ("Company Card Holder") to be used for business expenses such as airline tickets, rental cars, gas, meals, and other business related expenditures. Questions pertaining to the use of a Company Card should be directed to the Finance Department.

Eligibility

To be eligible for a Company Card, an employee must travel frequently in the course of his/her duties, purchase significant volumes of goods and services for use by the Company, or incur regular, frequent business expenses of a kind appropriately paid by credit card.

Terms of Use

- A Company Credit Card should not be used for personal expenses. Misuse of the card will result in cancellation of the card and withdrawal of Company Card privileges. If the card is used for an employee's personal expenses, the Company reserves the right to recover these monies from the employee and to issue disciplinary action up to and including termination.
- When attending an event or meal where payment is required, the most senior Company Card Holder is expected to pay the bill in its entirety.
- The Company Card Holder must pay any and all Company Card balances by the due date specified on the monthly invoice.
- It is the employee cardholder's responsibility to request reimbursement of Company Card balances per our Travel and Entertainment Expense Reporting Policy (contained in this Handbook) by submitting to the Finance Department a completed and approved expense report within sixty (60) days of the month the expenses are incurred, including all supporting receipts.

Lost or Stolen Cards

Lost or stolen cards must be reported to the Finance Department immediately. Employees who are authorized to have a Company Card will be required to sign an acknowledgement at the time the card is issued to the employee.

Termination

Should an employee terminate from the Company, his/her Company Card will be deactivated and the employee will be responsible for any outstanding balance. The former employee may submit a reimbursement request for business related expenses incurred on the paid balance, within 30 days of separation.

Purchasing Card Usage

A Purchasing Card ("P-Card") is a valuable tool and one that should be used with caution as the holder places a financial commitment on behalf of the Company each time it is used.

Eligibility

To be eligible for a P-Card, an employee must purchase significant volumes of goods and services for use by the Company and/or incur regular, frequent business expenses of a kind appropriately paid by P-Card.

Terms of Use

- Each employee who is authorized to use a P-Card ("P-Card Holder") should always obtain the best value by using "preferred suppliers and vendors".
- P-Card Holders should use the card for approved purchases only. Any misuse or abuse of the P-Card will result in revocation of the P-Card and appropriate disciplinary action, which may include termination.

Policy Violations

Policy violations include, but are not limited to, any of the following:

- Purchasing items for personal use;
- Utilizing the P-Card for purchases in excess of the set limits;
- Using the P-Card for personal travel and entertainment expenses;
- Failure to return the P-Card when reassigned, relocated, or transferred; and/or
- Failure to submit proper documentation with each monthly statement.

Questions pertaining to the use of a P-Card should be directed to the Purchasing Card Administrator or the Finance Department.

Workplace Smoking

In order to create the best environment for employees and visitors, no smoking is permitted throughout the Company's offices and plant facilities, except in designated smoking areas.

Fitness Reimbursement Policy

The Company encourages employees to achieve and maintain a healthy lifestyle. Therefore, fitness reimbursement is available to full-time employees. Employees will be reimbursed 50% of eligible fees up to a maximum of \$250 per year. Eligible fees include the enrollment fees (if applicable) and annual or monthly fees for an individual or family membership at a fitness center. Fitness classes (yoga classes, personal training, Zumba, etc.) are also eligible for reimbursement, subject to the same 50% rate up to a maximum of \$250 per year. Employees must follow the expenses report procedure to receive reimbursement.

Office Closure

The Company's office may close for various reasons to ensure that employees have a safe environment in which to work, as well as safe travel conditions. Conditions that may cause the office to close may include but are not limited to: severe weather, building emergency, power outage, heating and cooling issues, other unsafe working conditions, or IT issues as determined by management.

If the Company dismisses employees early due to one of the conditions indicated above then employees will be paid for time not worked on that day. If an employee chooses to leave work prior to the decision to close the office early then they will be required to use vacation or personal time to comprise their normal work hours for that particular day. Employees can be approved for a "work from home" day with Manager approval.

Office Closure prior to Regular Business Hours

Should employees wake to weather conditions that are extreme and forecasted to be an issue throughout the day, the Leadership or Human Resources team may consider closing the office or delaying the start of the workday. When a decision is made, an email and text message will be sent to all employees.

Every effort will be made to communicate the decision in a timely fashion. However, if a decision has not been made prior to an employee's usual departure time, the employee must use his/her own judgment.

Use of Company & Personal Vehicles

Under certain circumstances, employees are allowed to reserve and use a Company-owned vehicle ("Company Vehicle") on a temporary basis for day-to-day business use ("Vehicle Assignment"). Company Vehicles are to be used for Company business only. In addition, employees have the option of using their own vehicle instead of a Company car to fulfill daily job responsibilities and would be eligible for mileage reimbursement.

Eligibility

To be eligible for Vehicle Assignment, employees must possess a valid driver's license which is not suspended or revoked in any state ("Eligible Driver"). If, for any reason, an employee's driver's license is revoked, suspended, or restricted, it is mandatory the Human Resources Department be notified immediately.

Safety and Responsibility

Employees who operate a Company Vehicle must do so in a safe and responsible manner. Employees must know and abide by all driving laws in all areas where they operate their Company Vehicle.

It is mandatory that employees operating any Company Vehicle wear a seat belt at all times that the vehicle is in operation. Employees found to be operating a Company Vehicle without wearing a seat belt may face disciplinary action.

If an employee is taking prescription drugs, he or she must immediately notify their Manager and the Human Resources Department if the prescribed drugs affect their driving ability or their ability to do their regular job.

Moving Violations and Citations

Employees who, for any reason, receive a summons for a moving violation or a parking ticket while operating a Company Vehicle

must arrange for the appropriate disposition of the matter, either by paying the appropriate fine or contesting the charge. All moving violations must be reported to your Manager and the Human Resources Department as soon as possible. Under no circumstances should traffic or parking fines be charged to the Company, nor will the Company undertake the defense of such matters.

Accidents

All accidents, no matter how seemingly inconsequential, must be reported to your Manager and the Human Resources Department. A HBM Incident Report must be filled out as completely and as quickly as possible; in no case should this be more than 24 hours after the incident. Drug testing will be required if you are involved in an accident with a Company Vehicle.

Limitations

An employee with three (3) moving violation convictions or any combination of three accidents and/or moving violation convictions within a three-year period may be prohibited from driving a Company Vehicle.

The Company prohibits the following activity:

- The transport of a hitchhiker or stranger;
- The use of a Company car for any business venture other than that pertaining to the employee's job duties and responsibilities at the Company; and/or
- The acceptance of any form of compensation from any individual for carrying passengers or material.

Injury

An employee injured by the negligence of others in a vehicle accident may have a claim against the responsible party. In settling such a claim, the employee should keep in mind that he/she may owe reimbursement for any workers' compensation benefits he/she received.

Theft

If the Company Vehicle in your possession is stolen, report the theft immediately to the local police, to your Manager, and to the Human Resources Department. Obtain a copy of the police report filed. Maintain one copy for your personal files and submit another to the Human Resources Department. Do not make accusations or press charges against anyone held in connection with the theft.

Any attempted break-in or theft of items from a Company Vehicle must be reported to the local police department. The Company requires that the following information be provided to the Human Resources Department:

- The name, badge and precinct number of the police officers responding to your call;
- A list by model and serial number of any equipment which was stolen; and
- The date and location of where the theft occurred.

Withdrawal of Privilege

The privilege of driving a Company Vehicle may be withdrawn for any of the following reasons:

- Abuse or misuse of a Company Vehicle or failure to comply with the rules and procedures stipulated in this policy.
- Unlawful activity, during the course of operating a Company Vehicle. This may also be grounds for dismissal.
- Conviction or a guilty plea to driving a vehicle under the influence of alcohol or a controlled substance or suspension of driving privileges by a licensing authority for the same reasons.
- If an Eligible Driver has a long-term disability, or is otherwise absent from work for an extended period, his/her Vehicle Assignment may be reassigned to another employee. Upon recovery from the disability and return to work, the Eligible Driver may request another Vehicle Assignment. The Company will attempt to make reasonable accommodations for disabilities, where practical.

Travel & Entertainment Expense Reporting

An employee is entitled to reimbursement for necessary and ordinary expenses incurred while traveling away from home or same day travel in order to conduct business as a representative of the Company. Employees with frequent need to incur expenses on behalf of the Company will be offered the opportunity to apply for a Corporate American Express credit card ("Amex Card").

General

- Whenever possible, employees should pay for travel expenses using their Amex card.
- Expense reports are to be submitted within sixty (60) days of the date the expenses are incurred.
- Expense reports are to be reviewed and approved by each employee's Manager to ensure compliance with this Policy. Prior to submitting the expense report for payment, each report must be signed and dated by the employee and his/her Manager.
- Receipts are required for all expenditures in excess of \$75 (except in the case of lodging where receipts are required for all expenses). When combining expenses (i.e., car rental, parking, and tolls) on the expense report, include all receipts or make notes on the expense report documenting all the individual charges that, when aggregated, exceed \$75.
- Credit card statements can be used in lieu of a receipt.
- Only in isolated instances should the Company be "direct billed" for travel and entertainment expenses.

Lodging

All lodging expenses require a receipt (per IRS guidelines). Lodging facilities should be chosen for reasonable rates and convenience to meeting locations. The Company will not reimburse for movie rentals, excessive personal phone calls and unreasonable room service charges that are not part of the meal expense. Phone calls should be made using Company or personal cell phones. Expenses for items other than room charges should be shown separately and in the appropriate column(s) on the expense report form (i.e., telephone calls, meals, etc.).

Business Meals and Entertainment Expenses

Business meals and entertainment expenses require a receipt when the individual meal/event exceeds \$75. The following documentation is necessary for each meal/event over \$75: expense date, amount, business purpose, initial and last name of all participants. Where available, the receipt should itemize the meal or event.

Transportation Costs

Transportation costs include airfare, car rentals, parking, tolls, cabs, airport shuttle services or additional forms of transportation used in business travel. Modes of transportation should be the most cost effective in fares and employee's time. A concerted effort should be made to acquire the cheapest fares, and to generally opt for non-refundable tickets unless – in the employee's judgment – the trip/ticket has a high probability of being modified. Employees are afforded discretion as to which airlines they use, but are required to fly coach class unless pre-approval is otherwise obtained. Upgrades to business class or first class are at your own expense. (Note: Southwest Airlines "Early Bird Check-In" does not constitute an upgrade for purposes of this policy.) Airfares and auto rentals should not be direct billed to the Company.

Auto rentals should be requested referencing the corporate discount account number but should be paid for using the Amex card or a personal credit card. To avoid the high per-gallon gasoline cost charged by rental companies, the employee should return the rental car with a full tank of gas or, if appropriate, purchase the "full tank option" at the time of rental.

All optional insurance coverage should be declined when renting a car for Company business. The Company will not reimburse the purchase of insurance on rental cars or air travel. Insurance coverage is provided through the Company-wide insurance policies.

Miscellaneous Items

Miscellaneous items such as tips, phone calls, tolls, car cleaning, dry-cleaning (for trips over a week long) and other expenses related to business travel will be reimbursed based on Manager approval.

In addition, the Company will provide reimbursement for required equipment to perform the job as well as membership to certain associations and reasonable subscriptions to relevant publications. If you have any questions in regards to any miscellaneous items, please contact your Manager.

Same Day Travel Expenses

Same day travel expenses for trips to Company office/plant locations or for other business meetings will be reimbursed for personal vehicle mileage, parking, tolls, transportation fares and approved miscellaneous expenses. Reasonable personal meal expense will be reimbursed. The intent is to reimburse the employee for out-of-pocket meal expenses that would not normally be incurred on a typical office day.

Fleet Vehicle Usage

When available, the Company encourages the use of fleet vehicles for business travel. Vehicles can be reserved in advance from the Human Resources department or the Finance department by providing the employee's name and destination. A fleet vehicle should not be used for excessive personal use. It should be returned to the fleet upon completion of the business trip both clean and with a full tank of gasoline.

Assigned Employee Vehicles

It is the responsibility of the employee to track business and personal mileage on the Company expense report or some other documented mileage log.

Personal Vehicle Business Usage

All exempt salaried employees should have available a vehicle that can be operated periodically for business purposes when necessary. The Company will reimburse an employee at the standard IRS mileage rate for all business mileage incurred. When beginning a trip from home all mileage incurred is reimbursable. However, when your trip begins from a Company office location, reimbursable mileage begins as you leave the office.

The IRS' standard mileage rate includes reimbursement for fuel and therefore, the Company does not pay for fueling personal cars. In addition, personal vehicles should not be fueled at the plant sites.

Other

At certain conferences, industry meetings or other group settings/meetings where a spouse's attendance is recommended or encouraged, the spouse can be included in business travel and their expenses reimbursed with advance approval of the employee's Manager.

Internal Audit will periodically perform an audit of selected travel and expense reports.