

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	1/ 50	
MA 0001		Owner	HR	

## **NCI MFG, Inc.**

209 Lonnie E. Crawford Blvd.

Scottsboro, AL 35769

(256)259-2105

## **EMPLOYEE HANDBOOK**

Effective Date: September 1, 2018

Updated: September 1, 2018

Enacted By: Akihiro Kan, President

Revision #7

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	2/ 50	
MA 0001		Owner	HR	

## MESSAGE FROM THE PRESIDENT :

Welcome to NCI. We are pleased to have you as an employee of NCI MFG. Inc., which is an affiliate company of a Japanese company which has history of over 120 years.

From today, I would like you to work "Happily" at NCI. I would like all of NCI members to feel "Happy" working for this company. In order to achieve such kind of environment, I need your highest cooperation on the following things.

1. Safety please. The Management is always seeking safe working environment in NCI, but we need your commitment. Follow the rules and don't touch anything moving around you. If you don't know how to operate a machine you are assigned to, or how to perform some other task associated with your job, please don't proceed. Please stop your operation, call your superior and wait for instructions.
2. Keep your working place clean and organized, please. Good working environment will produce good quality of work and products. Good quality of work and products will bring more business for our future.
3. Be a part of the team, please. NCI operates with an "OPEN DOOR" policy and all employees are invited to visit our HR office and our President's office at any time to discuss issues or concerns with your job, or other matters with which the Company may be able to assist you, or with which you may be able to assist the Company. .

I am proud to announce our Company Slogan, "Let's show our American Pride to our Group!" Let's be proud together of Zero Accidents and Zero Customer Complaints. With your cooperation, we can all hope for new business and continued success for a long time.


Have a wonderful time with us.

Akihiro Kan, President

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	3/ 50	
MA 0001		Owner	HR	

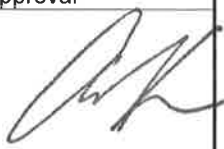
## **TABLE OF CONTENTS**

1. WELCOME – ABOUT YOUR HANDBOOK- “AT WILL” EMPLOYMENT
2. HISTORY OF NCI MFG INC
3. OUR COMMITMENT TO QUALITY/ENVIRONMENTAL
4. EMPLOYMENT POLICIES
  - 4-1. Equal Employment Opportunity
  - 4-2. Drug and Alcohol Testing
    - A. Discipline
    - B. Denial of Worker’s Compensation & Unemployment Benefits
  - 4-3. Communications
  - 4-4. Harassment policy and Reporting Procedure
    - A. Sexual harassment policy
    - B. Other harassment
    - C. Reporting instances of harassment
    - D. Investigation of complaints
  - 4-5. Hiring policy
    - A. EOE Statement
    - B. Exempt/Non-exempt Employees
    - C. Regular Full-time/Part-time/Temporary Employees
    - D. Rehire
  - 4-6. Orientation Period
  - 4-7. Opportunity for promotion and transfer  
Job and Position Opening
  - 4-8. Layoffs/Shutdowns/Position Closed/Company Convenience
  - 4-9. Evaluations
  - 4-10 Disability Accommodation
5. COMPENSATION
  - 5-1. Timeclock
  - 5-2. Pay day
  - 5-3. Working hours
    - 5-3-1 Non-Exempt
    - 5-3-2 Exempt
  - 5-4. Shift premium
  - 5-5. Overtime
  - 5-6. Business travel
    - 5-6-1 Non-Exempt
      - A. Travel pay policy for non-exempt employees
      - B. General business travel policy non-exempt employees
      - C. International business travel
      - D. Telephone charges during business trips
    - 5-6-2 Exempt
  - 5-7. Pay for meetings, training, & company functions
6. BENEFITS
  - 6-1. Group benefits package
  - 6-2. Workers Compensation insurance

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	4/ 50	
MA 0001		Owner	HR	

## TABLE OF CONTENTS

- 6-3. Holidays
- 6-4. Vacation Policy
- 6-5. Sick/Personal Days
- 6-6. Flexible Time Policy
- 6-6-1 Non-Exempt
- 6-6-2 Exempt
- 6-7. Voting Time Off
- 6-8. Severance Pay
- 7. LEAVE OF ABSENCE
- 7-1. Paid leave of absence
  - A. Jury Duty
  - B. Bereavement Leave
- 7-2 Unpaid leave of absence
- 8. GENERAL POLICIES
- 8-1. Open door policy
- 8-2. Attendance and absenteeism
  - A. Reporting time off
  - B. Occurrence
  - C. Prescription medications
  - D. Tardiness
  - E. Partial day absence
  - F. Excused absences
  - G. Disciplinary action
  - H. Suspension
- 8-3. Separation from employment
- 8-4. Appearance and dress
  - A. Dress Code Alabama & Michigan Non-Exempt
    - 1. Shoes
    - 2. Uniforms
  - B. Dress Code Office Alabama & Michigan
  - C. PPE Requirements
- 8-5. Lockers and Locker rooms
- 8-6. Smoking on company premises
- 8-7. Personal cellular telephones
- 8-8. Cleanliness and housekeeping
- 8-9. Solicitation – distribution policy
- 8-10. Visitation policy
- 8-11. Company telephone/email/internet
- 8-12. Flowers
- 8-13. Company Radio/Television
- 8-14. General Rules of Conduct
- 9. SAFETY
- 9-1. On the Job Injuries
- 9-2. Severe Weather Closings/Delayed Openings
  - A. Closure/delayed opening announcements
  - B. Pay provision in a declared emergency

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	5/ 50	
MA 0001		Owner	HR	

## TABLE OF CONTENTS

### 9-3. Emergency evacuation procedures

- A. Tornado
- B. Fire
- C. Snow/Ice Storm

### 10. CONFIDENTIALITY

- 10-1. Company records
- 10-2. Personnel records
- 10-3. Social Security Privacy Act

### 11. SUMMARY

### Appendix A

#### Group Benefit Package

### Appendix B

#### Unpaid Leave Of Absence

- A. Family Medical Leave Act
- B. Military Leave
- C. Drug/Alcohol Rehabilitation
- D. Court Appearance
- E. Other Leave
- F. Continuation of health insurance while on leave
- B. Drug Free Workplace Substance Use Policy and Procedures

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	6/ 50	
MA 0001		Owner	HR	

## ACKNOWLEDGEMENT APPENDIX

### 1. WELCOME TO NCI MFG INC. – ABOUT YOUR HANDBOOK – “AT WILL” EMPLOYMENT

We are pleased to welcome you as an employee of NCI. The success of our organization depends on individual performance channeled into a team effort. You were selected to become a part of our team because you indicated you had the ability, initiative, and attitude that would enable you to become a successful part of this outstanding team.

The information contained within this handbook has been prepared to inform you about current company practices, policies, benefits and work rules. It is our commitment and hope that our working relationship will be one of mutual understanding and cooperation.

This handbook is a broad guideline that has been developed. The provisions contained herein are subject to modification as needed. It is your responsibility to routinely check the bulletin board at the employee entrance for policy changes. If you have questions regarding the information contained in this handbook or any other aspect of your job, please see your supervisor or the Human Resources Manager.

This handbook is designed to explain to you the general policies of NCI MFG Inc (“the Company”) governing the general rules for employees. **This handbook does not constitute a contract of employment or a promise or guarantee of any kind whatsoever and should not be construed as such. Your employment with NCI MFG Inc is according to Alabama and Michigan state law which provides for “at will employment”. “At will employment means that you or the company may terminate the employment relationship at any time, with or without notice, and with or without cause.”**

### 2. HISTORY OF NCI MFG INC.

NCI MFG, Inc. was incorporated on June 27, 1996 in Scottsboro, Alabama. Production began in April 1997. NCI produces various automotive parts and industrial products. We are also involved in the importing/exporting (“merchandise”) business with NICHIAS Corporation in Tokyo, Japan. NCI is 100% owned by NUK Corporation of Japan. NUK Corporation has an affiliation with NICHIAS Corporation. NICHIAS has been an international manufacturer of thermal insulation, packing and gasket materials for more than 120 years. On March 1, 2008 NCI MFG Inc. opened a Sales Office in Northville, Michigan. In November 2016, NCI MFG Inc. Sales office was moved to Livonia Michigan where a Technical Center was added.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	7/ 50	
MA 0001		Owner	HR	

### 3. OUR COMMITMENT TO QUALITY

NCI MFG Inc. is proud of its quality achievements. We are certified to ISO9001:2015 and IATF 16949 in 2016. NCI's quality policy is as follows:

**"NCI is committed to satisfying the customer in all aspects of quality, technology, delivery and cost, while striving to continuously improve all NCI operations."**

Please make sure you know our quality policy and the information contained in our quality manual, particularly where it pertains to your department or activity. If you need further information about our quality policy and/or procedures, please see your supervisor or the Quality Manager. The quality manual is available for your review.

### OUR ENVIRONMENTAL COMMITMENT

NCI is proud of the environmental achievements gained since becoming certified to ISO 14001 and look forward to many more environmental achievements through continual improvement. NCI became certified to ISO 14001: April 2004

#### **NCI's Environmental Policy:**

In an effort to remain a more responsible corporate citizen, NCI Mfg., Inc. will implement policies and procedures in order to continually improve in the following activities:

- Prevention of Pollution
- Compliance with all applicable legal requirements
- Compliance with other requirements to which the organization subscribes which relate to its environmental aspects
- The setting, achieving, and reviewing of environmental objectives and targets, and Implementation, documentation, maintenance and communication of these policies and procedures to all persons working for or on behalf of the organization and make said policies available to the public.

All employees should be familiar with NCI's environmental policy and the information contained in our Environmental Management System (EMS) manual including work instructions and single point lessons and to know and understand how these documents and policies pertain to their work activities. All employees play an important role in the environmental success of NCI.

### 4. EMPLOYMENT POLICIES

#### 4-1 Equal Employment Opportunity

It is Company policy to recruit, hire, train, promote, discipline, and discharge persons in all job classifications, without regard to race, sex, national origin, religion, disability, age, marital status, or military status, or any other characteristic protected under federal or state law.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	8/ 50	
MA 0001		Owner	HR	

## 4-2 Drug and Alcohol Testing

All job applicants and employees are subject to drug and/or alcohol testing. No applicant will be hired if the individual tests positive for drugs or alcohol, except in the case of a drug that is medically prescribed for an existing injury or illness. An applicant for employment who refuses to submit to drug/alcohol testing as required by this policy will not be considered for employment. Any current employee who refuses to submit to a drug/alcohol test without delay will be immediately terminated. For further information, see the Drug Free Workplace Policy in this handbook. Background checks will be performed on persons performing certain jobs or with access to certain Company resources.

### A. Discipline:

An employee who tests positive for alcohol or drugs under this policy is subject to disciplinary action up to and including termination. An employee who refuses to submit immediately upon request to a search of his/her person or property or to a blood test, urinalyses, "breathalyzer" test, or other diagnostic test, or who otherwise is in violation of this policy is subject to disciplinary action up to and including termination.

### B. Denial of Worker's Compensation and Unemployment Compensation Benefits (This section pertains to Alabama law):

An employee who refuses to submit to, or cooperate with, a blood or urine test following a job accident forfeits his/her right to recover Worker's Compensation benefits under Alabama Code Section 25-5-51. A positive drug test may disqualify an employee from receiving worker's compensation benefits and/or unemployment benefits.

#### A. Worker's Compensation

- No worker's compensation benefits will be paid to an employee who refuses to submit to or cooperate with a blood or urine test as required by this policy.
- A positive drug or alcohol test will result in a conclusive presumption of impairment for purposes of worker's compensation benefits.
- An employee who suffers a workplace injury and test positive for drugs or alcohol may be denied worker's compensation benefits pursuant to the laws of this state.

#### B. Unemployment Compensation

- No unemployment compensation benefits will be paid to an employee who refuses to submit to or cooperate with a blood, breath, or urine test as required by this policy.
- A positive drug or alcohol test will result in a conclusive presumption of impairment for purposes of unemployment compensation benefits.
- No unemployment compensation benefits will be paid to an employee who tests positive for drugs or alcohol.
- No unemployment compensation benefits will be paid to an employee who knowingly alters



Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	9/ 50	
MA 0001		Owner	HR	

or adulterates a blood, breath, or urine specimen obtained pursuant to this policy. This section pertains to Alabama law as the laws of Michigan may differ and will be followed accordingly.

#### 4-3 Communications (See Michigan notes)

Postings on the bulletin boards or any other area of NCI are intended to communicate business-related issues.

#### 4-4 Harassment Policy and Reporting Procedure

NCI MFG, Inc. is committed to maintaining a work environment that is free from harassment where employees at all levels of the Company are able to devote their full attention and best efforts to the job. Harassment, either intentional or unintentional, has no place in the work environment. Accordingly, the Company does not authorize and will not tolerate any form of harassment or discrimination of or by any employee or agent of the Company or non-employee based on race, sex, religion, color, national origin, age, disability, marital status, military status, or any other factor or characteristic protected by law. The term "harassment" includes, but is not limited to: offensive language, jokes, or other verbal, graphic or physical conduct relating to a person or group's race, sex, religion, color, national origin, age, disability, marital status, military status, or any other characteristics protected by law, which would make the reasonable person experiencing such harassment uncomfortable in the work environment or which could interfere with the person's job performance.


A. Sexual harassment policy - No employee, leader, manager or other person, whether employed by NCI MFG., Inc. or not, shall threaten or suggest that another employee's refusal to submit to sexual harassment will adversely affect that person's employment, work status, evaluation, wages, advancement, assigned duties, shifts, or any other terms or conditions of employment. Similarly, no employee, regardless of job title, shall promise, imply, or grant any preferential treatment in return for another employee's acceptance of conduct that is sexually harassing. Furthermore, no employee, leader, manager or other person, whether employed by NCI MFG. Inc. or not shall create a sexually hostile or intimidating work environment for another employee.

Sexual harassment may be overt or subtle. Certain behavior, which may be appropriate in a social setting, may not be appropriate in the work place.

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

1. Submission to or rejection of such conduct is used as the basis for decisions affecting an individual's employment; or
2. Such conduct has the purpose or effect of creating an intimidating, hostile, or offensive working environment.

Some examples of conduct that may constitute sexual harassment include:

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	10/ 50	
MA 0001		Owner	HR	

A. Making unwelcome sexual flirtations, advances, requests for sexual favors, or verbal, visual or physical conduct of a sexual nature a condition of employment.

OR

B. Creating an intimidating, hostile, or offensive working environment by such conduct as:

1. Sexual innuendo or sexually suggestive comments, including but not limited to sexually oriented "kidding", "teasing" or "practical jokes", jokes about gender specific traits, foul or obscene language or gestures;
2. Subtle or direct pressure or requests for sexual activities;
3. Unnecessary touching of an individual, such as pinching, patting, or brushing up against another person's body;
4. Graphic verbal comments about an individual's body or appearance;
5. Sexually degrading words used to describe an individual;
6. The reading or display in the work place of sexually suggestive or revealing words, objects or pictures;
7. Sexually explicit or offensive jokes;
8. Physical assault; or
9. Other explicit or implied conduct of a sexual nature that relates to or affects an individual's employment.

B. Other harassment - All NCI MFG., Inc. employees are entitled to work in an atmosphere free of harassment of any kind. Employees may occasionally make statements or display or use words, objects, or pictures that others could interpret as being insulting, derogatory, or demeaning towards persons based upon their race, color, national origin, religion, sex, age, disability, or other protected status. Such conduct may make a reasonable person uncomfortable in the work environment or could interfere with an employee's ability to perform their job. Comments or actions of this type, even if intended as a joking matter among friends, are always inappropriate in the work place and will not be tolerated. No leader, or any member of management should participate in such behavior and must take immediate action, including discipline up to and including discharge, if necessary, to stop others who are known or suspected of being involved in such conduct.

C. Reporting instances of harassment - NCI MFG, Inc. cannot resolve matters that are not brought to its attention. Any employee, regardless of position, who has a complaint of harassment, or who observes harassment at work, has a responsibility to immediately bring the matter to the Company's attention. Employees may bring their complaint of or observation of harassment to their supervisor who is then expected to relay to Human Resource or to the Human Resource Manager. If the employee is uncomfortable discussing the matter with these individuals, or if the complaint or observation of harassment involves someone in the employee's direct line of supervision, the employee should make the report to the Company President.

D. Investigation of Complaints - The Company will promptly investigate all claims of harassment. The Company will meet with the complaining employee to discuss the results of the investigation and, where appropriate, review the proposed resolution of the

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	11/ 50	
MA 0001		Owner	HR	

matter. If an investigation confirms that harassment has occurred, the Company will take corrective action, including such discipline up to and including immediate termination of employment, as is appropriate. The Company will conduct the investigation with the utmost concern for confidentiality. The Company will not tolerate any threat of retaliation toward any employee who reports unlawful harassment or who participates in an investigation in unlawful harassment. Threats of retaliation should be reported in the same manner as harassment described above. Any person who engages in unlawful retaliation will be subject to discipline up to and including termination.

#### 4-5 Hiring Policy

A. Equal Employment Opportunity - It is the policy of the Company to employ the most qualified people available without regard to sex, age, race, religion, national origin, or any other characteristic protected under federal or state law and to abide by all child and forced labor laws.

B. Exempt(salaried)/Non-Exempt(hourly) Employees - For the purpose of definition, employees of the Company are categorized into the following classifications:

- EXEMPT Employees: Based on job duties, these employees are paid on a salary basis and are exempt from coverage of some or all of the provisions of federal and state wage and hour laws.
- 
- NON-EXEMPT Employees: These employees are paid on an hourly basis and are entitled to overtime pay under the specific provisions of federal and state laws. Time will be calculated from the timeclock records. Hours worked over 40 in a workweek will be paid at the rate of time and one-half.

C. Regular Full Time/Part-Time/Temporary Employees - In addition to the exempt/non-exempt category, each employee will belong to one of the following categories:

- REGULAR FULL-TIME Employees: Those who are not in a temporary status and have successfully completed the orientation period, and who are regularly scheduled to work 30 or more hours weekly. Regular full-time employees are eligible for Company paid holidays and the Company's benefit package, subject to the terms, conditions and limitations of each benefit program.
- PART-TIME Employees: Those who are not assigned to a regular, temporary or introductory status and who are regularly scheduled to work less than 30 hours weekly. Part-time employees will be provided only legally mandated benefits (such as worker's compensation insurance and social security).
- TEMPORARY Employees: Those who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project. They are either hired by NCI MFG, Inc. or as an employee of a temporary service. While temporary employees receive all legally mandated benefits (such as worker's compensation insurance and social security), they are ineligible for the Company's other benefit programs.

D. Rehire – Employees who leave NCI without working the customary 2 weeks' notice,

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	12/ 50	
MA 0001		Owner	HR	

may not be eligible for rehire.

#### 4-6 Training period

All new full time exempt & non-exempt employees shall be placed under a training period. Training period will be defined by the company separately. During this period, your immediate superior will endeavor to assist you as much as possible in your new environment, by outlining to you the duties and responsibilities of the job. An employee who successfully completes the training period may become a regular full-time employee of the company. In determining whether or not to assign an employee to be a regular full-time employee, many factors will be considered including, but not limited to: job performance, overall skill level, job classification, overall value to the team, safety, attendance and reliability. An employee called back from a layoff status will not be required to repeat a training period regarding benefits. A training period to be re-trained on the job still applies. Completing the training period should not be construed as a contract and therefore, does not guarantee future employment, compensation, benefits, or any other provision of being an employee of NCI.

#### 4-7 Opportunity for promotion and transfer

The Company encourages opportunities for growth and self-improvement through new assignments. From time to time during your employment, you may be asked to assume a new assignment for purposes of career development, cross-training, and to meet the needs of the Company. It is important to keep your personnel file updated with new training, degrees, addresses, etc. Please provide a copy of these records to the HR Manager for filing in your personnel record.

Job and Position openings - In the event of a job and position opening, management may seek a suitable candidate from within the Company.

#### 4-8 Layoff/Shutdowns/Position Closed/Company Convenience

NCI MFG makes every effort to provide steady employment. However, should a layoff become necessary for economic or job ending needs, such would be conducted. In the event of a layoff, plant shutdown or position closed, as much advance notice as possible will be given. Unemployment papers will be filed on your behalf during temporary layoff/shutdown weeks by the HR department. The necessity of a layoff and choice of employee(s) affected will be decided by the company.

If NCI has a need to reduce its workforce for a short time, then the Company may offer Company Convenience (CC) to the employees. It is offered on an unpaid basis, with no effect on attendance. Unemployment benefits are not available to employees on CC. Time off is normally limited to less than one week. CC time is voluntary. If more employees want CC than is offered, NCI will grant CC at its discretion, depending upon the needs of the Company. Once an employee takes CC, his/her name is rotated to the bottom of the list. CC is only offered when the company approves it. Notice of CC can be as short as immediate, but generally it is 1 business day.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	13/ 50	
MA 0001		Owner	HR	

Employee benefits will be continued for temporary layoffs/shutdowns/CC ("temporary" is less than four consecutive weeks). You will be required to remit payment for any portion of your benefits package that is normally deducted from your paycheck. The HR department will notify you of amounts and payment due dates. If layoff/shutdown is for four consecutive weeks or more, you may be dropped from the benefits package. You may be able to file for COBRA, if eligible. Please contact the Human Resources department for details.

#### **4-9 Evaluations**

The members of management will review your performance. Factors such as your quality of work, productivity, reliability, independence, availability (attendance), adherence to policy, interpersonal relationships, and others will be considered when you are rated. When you are evaluated, your comments, ideas, needs and goals would be appreciated by the Company.

#### **4-10 Disability Accommodation**

The Company understands and abides by the provisions of all federal and state disability laws, which prohibit discriminatory employment practices against individuals with disabilities. The Company will make a good faith effort to provide reasonable accommodation to an otherwise qualified candidate who applies for a position or an employee who is able to perform the essential functions of his or her job, as long as the accommodation does not result in an undue hardship.

This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Employees should provide written notice of the need for a reasonable accommodation once the Employee learns of need for an accommodation, but no later than 182 days after or it may be lost, to allow the Company review and evaluate the accommodation request.

### **5. COMPENSATION**

#### **5-1 Timeclock**

The federal Fair Labor Standards Act requires employers to keep accurate records of hours worked. All non-exempt employees must punch in and out each day using the time clock at the employee entrance. If you leave the premises for anything other than company business, you must clock out (this includes lunch). Notify your supervisor immediately if you miss clocking in or out. All overtime must be approved. If an employee has been asked or instructed by any member of management to work without clocking in, that employee should report this matter immediately to his or her supervisor or to the Human Resource Manager. If the employee is uncomfortable discussing the matter with these individuals, or if the requested "off the clock" working time involves someone in the employee's direct line of supervision, the employee should make the report to the Company President. Michigan Non-Exempt employees should submit completed time sheets daily within 5 minutes after the starting work and 5 minutes before stopping work to

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	14/ 50	
MA 0001		Owner	HR	

their superior.

## 5-2 Pay Day

You will be paid each Friday for the previous workweek (Sunday – Saturday), off shifts will be paid Thursday night.

## 5-3 Working Hours

### 5-3-1 Working Hours – Non Exempt

Various shift schedules will be established as production needs require. The standard workweek is 40 hours. Hourly employees will be given a 30 minute unpaid meal break and two 10 minute paid breaks during the shift. Employees are expected to be at their workstation ready to work at the scheduled start time. To meet customer demands break or lunch schedule may be altered by the supervisor. Employees may be required to change shifts to better accommodate the production schedule.

### 5-3-2 Working Hours - Exempt

Exempt employees should follow the schedule assigned by their superior

## 5-4 Shift Premium

Employees who are regularly scheduled to work a 2<sup>nd</sup> shift after 2:30pm or 3<sup>rd</sup> shift after 11pm will receive a shift premium to the regular hourly rate for work performed. The company will regularly review the shift premium rate.

## 5-5 Overtime

Because overtime is sometimes necessary, employees are required to work overtime when requested. Every effort will be made to inform the employee in advance of any overtime required. However, advance notice may not always be possible. All overtime must be scheduled by the supervisor. For reasons of safety and employee welfare, NCI reserves the right to limit overtime it feels is excessive.

Non-Exempt employees will be paid at the following rate for overtime:

- At the rate of 1-1/2 x the regular hourly rate of pay for hours worked in excess of 40 hours in any one payroll week. A payroll week is from Sunday to Saturday. Accrued vacation and personal time used in a week are counted toward the 40-hour rule for overtime. However, Company-observed holidays are not counted in the 40-hour rule for overtime, see below for rules on counting hours worked on holidays.
- At the rate of 1-1/2 x the hourly wage for all hours worked on a Company observed paid holiday without regard to the 40-hour rule. For instance, if a non-exempt employee works 6 hours on a holiday, they will be paid 8 hours for the holiday plus 9 hours for the time they worked (6 hours X 1.5 OT rate = 9 hours) for a total of 17 hours for the holiday work.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	15/ 50	
MA 0001		Owner	HR	

Hourly employees who must work on a day outside their normal work schedule (such as Saturday) will be paid a minimum of two hours pay per trip to the plant, even if work less than two hours (still must clock in and out).


These provisions do not cover exempt employees. Exempt employees do not receive overtime pay.

## 5-6 Business Travel

### 5-6-1 Business Travel – Non Exempt

Occasionally an employee may be required to travel on a business trip for NCI. The following is NCI's travel policy:

- A. Travel pay policy for non-exempt employees – Non-Exempt workers will be paid for travel on NCI Mfg., Inc. business trips from the time they leave (plant, home, motel, etc.), until the time they arrive (plant, home, motel, etc.), less time spent having meals during the trip. If your home is closer to the destination than NCI plant, you will measure time from your home to your destination. Example: If you leave home at 6:00 A.M., take 30 minutes for breakfast, 30 minutes for lunch, 60 minutes for dinner and arrive at your motel at 8:00 P.M., total travel time is 14 hours less 2 hours for meals so employee is paid 12 hours. Please keep accurate records of your time during the trip and give to your supervisor for approval upon returning from your trip.
- B. General Business North American Travel Policy – Non-Exempt - While traveling, the cost of public transportation will be paid at cost, receipt required. The immediate superior will arrange travel, flight and hotel accommodations. They will be arranged at coach class or equivalent. If a higher class than coach is needed, superior must obtain prior approval from general manager or above. An expense report must be turned in to their superior for approval as soon as the employee returns to work, not to exceed 5 working days. Receipts for expenses must be attached to this report in order to be reimbursed. Employees will be required to pay for hotel charges other than actual room cost and tax (laundry service, movies, personal telephone calls, etc). Mileage for the use of the employee's personal car for the business trip will be reimbursed at the standard IRS rate (see the Accounting Department for the rate). Travel exceeding 100 miles one way, the Company will reimburse travel allowance, mileage less than 100 miles one way the Company will only reimburse mileage. Maximum meal reimbursements are as follows: non-exempt \$30 a day per diem. Employees must pay for any amount that exceeds these limits.
- C. International Business Travel – follows the same criteria as the General Business North American Policy with the exception that the maximum meal for International business travel will be based on the per diem rate of \$55 per day for (Japan, Asia and Europe). A per diem rate of \$30 per day for (US, Canada and Mexico) and any necessary actual expense for travel pre-approved by the superior (GM or above) will be reimbursed upon submission, actual expense includes (Visa, Passport etc.)

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	16/ 50	
MA 0001		Owner	HR	

D. Telephone Charges during Business Trips – NCI will pay for telephone charges that are directly related to the business trip. For international business trips, management will provide a necessary communication method case by case basis for emergency contact.

#### 5-6-2 Business Travel - Exempt

Travel allowance for exempt employees is paid from 1<sup>st</sup> day of trip to return including holidays. **Note: There is a separate travel policy for Exempt staff not included in this handbook.**

#### 5-7 Pay for Meetings, Training, & Company Functions

Employees will be compensated for work related meetings such as plant wide meetings, departmental meetings, NKK, etc. Company required training (internal or external) would also be compensated. Time for training outside normal work hours that is requested by an employee for individual development may not be compensated and will be determined on a case-by-case basis.

Company sponsored social functions or sponsored events such as cookouts, parties, ballgames, etc. will not be compensated.

### 6. BENEFITS

#### 6-1 Group Benefits Package

Please see Appendix A and the separate benefit packages for more information. Your options will be communicated to you in your orientation meeting upon hire. If you have any questions, please see the HR department.

#### 6-2 Worker's Compensation Insurance

If you are injured or become ill as a result of your work, you are covered under the Worker's Compensation Act. The cost of these payments is paid entirely by the Company.

If an employee is injured on-the-job and requires a visit to the doctor/hospital and returns to work the same day, with a statement from the doctor, the employee will be paid for the full day. The statement from the doctor must state that the employee can return to his or her job.

If an employee cannot return to work following a doctor/hospital visit, they will be paid for time lost from work on the day of the injury. After a waiting period, worker's compensation insurance will pay a certain percentage of the employee's pay for time lost from work.

If a doctor prescribes medication, the employee is generally responsible for obtaining the medication. If an employee pays for medication that is prescribed by an approved



Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	17/ 50	
MA 0001		Owner	HR	

worker's compensation physician, the expense will be filed with the insurance company for reimbursement. The receipt should be given to NCI to file with our insurance company to be reimbursed.

**KNOW YOUR LEGAL RIGHTS AND RESPONSIBILITIES.** A copy of the Workman's Compensation Bulletin is posted on the company bulletin board for review. All injuries, no matter how minor, must be reported IMMEDIATELY to the employee's supervisor.

### 6-3 Holidays

The Company observes several holidays per year. Holidays will be set each year by management and will be announced to employees in January of each year.

To be paid holiday pay, you must be a regular full-time employee before and after a holiday.

### 6-4 Vacation Policy

NCI recognizes that paid vacation is an opportunity for rest and change of pace from everyday routines. We believe that eligibility for paid vacation should be in relationship to your continuous length of service. Full-time employees are eligible for paid vacation.

Earning vacation days - Vacation in the first year of employment will accrue as follows: one paid day (8 hours) of vacation earned after each ten weeks of work. Employees will continue accruing this way until they reach their one-year anniversary. Upon the one year anniversary if you were hired January to March you will receive 10 days vacation, April – 9 days, May – 8 days, June – 7 days, July – 6 days, August – 5 days, September – 4 days, Oct – 3 days, November – 2 days and December 1 day.

Each January 1st (following your one-year service anniversary), you will earn two weeks vacation (80 hours), or more if you have over five years service. See "length of service awards" section below.

Vacation cannot be borrowed from future years or other employees.

Length of service awards - As an additional benefit to reward employees for length of service, the following schedule will apply for earning extra vacation:

5-year service anniversary: an additional week of vacation will be awarded on your 5-year service anniversary. On January 1<sup>st</sup> of each year following your 5<sup>th</sup> anniversary to your 10<sup>th</sup> anniversary, you will start the year with three weeks (120 hours) vacation.

10-year service anniversary: an additional week of vacation will be awarded on your 10-year anniversary. At January 1<sup>st</sup> of each year following your 10<sup>th</sup> service anniversary, you will receive four weeks (160 hours).

In addition to extra vacation days, special service awards on the 5<sup>th</sup>, 10<sup>th</sup>, 15<sup>th</sup>, 20<sup>th</sup>, 25<sup>th</sup>, and 30<sup>th</sup> service anniversaries will be announced and presented to employees earning such awards. See schedule below:

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	18/ 50	
MA 0001		Owner	HR	

Years	Vacation days	Srv. Anniversary
1 year	10 days	
5 years	15 days	\$100
10 years	20 days	\$300
15 years	22 days (One Time)	\$500
16 – 19 yrs.	20 days	
20 years	22 days (One Time)	\$1000
21 – 24 yrs.	20 days	
25 years	22 days (One Time)	\$1500

**Requests** - Requests for vacation or personal time should be submitted to your immediate supervisor for pre-approval as far in advance as possible. If your time off will be for five consecutive days or more, you must submit a time off request sheet no less than two weeks prior to the intended time off to your supervisor. While every reasonable effort will be made to honor your vacation request, business requirements may necessitate adjustments.

Vacation time should be taken in at least one-half day (4 hours) increments. An employee cannot borrow vacation from future years or from other employees. All vacation time must be used before an unpaid leave will be considered by management (except for instances of layoff, shutdown, CC, or FMLA).

Vacation, if pre-approved, may be taken before, or after a holiday. If after being absent the day before, or the day after a holiday, you ask for the day absent to count as a vacation day, it cannot. It will count as an absence

**Unused days** - All employees are encouraged to take vacation days, however unused vacation days of up to 5 days may be carried over to the following year, or if approved by the company, you may receive pay at regular rate in place of vacation days off to be paid in January of the next year. Any accrued and unused vacation benefits will be paid upon separation from employment, subject to the limitation that no more than 5 days may be carried over from one year to the next. Other vacation benefits will expire if not carried over (or paid) from one year to the next.

**Definitions** - "Approval" is a supervisor signed Time Off Request Sheet. "Pre-approval" is a supervisor signed Time Off Request Sheet completed at least one business day prior to the intended time off. Supervisor will turn approved time off slips to HR department.

## 6-5 Sick/Personal Days

For a business to run effectively and efficiently without disruptions or schedule conflicts, employees must be present and prepared to work each day. The Company understands that employees may have an injury or illness from time to time and may need to have sick time off.

**Earning sick/personal days:** Employees accrue sick/personal days off with regular pay during each calendar year as follows: earn 4 hours sick & 4 hours personal (8 hours total)

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	19/ 50	
MA 0001		Owner	HR	

for every 10 weeks of continuous employment. You receive 5 days (20 hours sick, 20 hours personal) (40 hours total) per calendar year on January 1st following one year of employment. Earned sick/personal time can be taken in one (1) hour increments. Approved sick/personal days taken do not count as an absentee occurrence. You can accumulate year to year an unlimited amount of days. Note: Sick days are intended for employee's own sickness, illness etc. Personal days are intended for (previously scheduled medical appt., personal business etc.) Any employee who calls to work requesting paid time for three consecutive days or three days during any month will be required to submit documentation for approval.

Emergency Use: When you are sick or have an emergency, you should notify the Company before your shift begins unless it is physically impossible. See reporting off section 8-2A. Non-Exempt employees who seek medical treatment during working hours will not be paid for the time lost unless sick/personal time was granted or medical treatment was obtained for a worker's compensation injury. See worker's compensation section 6-2. Sick/personal leave cannot be borrowed from future years or from other employees.

Non-Emergency Use: When using these days for personal reasons, you must request and receive approval from the Supervisor as far in advance as possible using the Time Off Request Sheet.

Unused sick/personal time: If you leave the Company (quit or are terminated) for any reason during a year, you will not be reimbursed for any of your unused sick/personal time.


If eligible, you must take sick pay as it occurs. You cannot take an unpaid day if you have sick/personal time accrued. Unpaid days for illness or injury will have occurrences counted unless on approved FMLA. See occurrences section 8-2C.

Use of vacation time not pre-approved for sickness: If you have exhausted accrued sick time and must call in sick, report late, leave early due to sickness, or non-worker's compensation injury, you may use a vacation day (if eligible) but will have one-half (.50) of an occurrence counted against you, unless you are on approved FMLA leave. The first two (2) workdays of consecutive absence for using vacation time for sickness will be recorded as the same one-half (.50) of an occurrence. Additional consecutive days of absence, after the first two (2) workdays due to the same illness, injury (up to a maximum of 7 calendar days) will be recorded as the same one-half occurrence if a medical excuse for those days is provided upon return to work. See occurrences section 8-2B.

Use of vacation time not pre-approved for other: If you have exhausted accrued sick/personal time and must call in, you may use a vacation day (if eligible) but will have one-half occurrence counted against you.

## 6-6 Flexible Time Policy

### 6-6-1 Flex Time Policy – Non-Exempt

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	20/ 50	
MA 0001		Owner	HR	

The flexible time (Flex-Time) policy is intended to assist the employee in scheduling partial day absences in advance with NCI management's approval to avoid absentee problems that may lead to discipline or loss of employment. It is not intended to be used to extend holidays, vacations, personal time, or for sickness. It is intended for an occasional use, not every week.

All Flex-Time must be pre-approved by NCI management. The employee must make request before day of partial absence. Only a partial day can be flexed. A maximum of four (4) hours may be flexed in a pay week. All Flex-Time must be made-up in the same week as the flexed partial day absence or it will be treated as an absent occurrence. Flex-time will not be allowed for tardiness. You may make up the time lost due to tardiness, but an occurrence will be counted.

#### 6-6-2 Flex Time Policy – Exempt

**Note: There is a separate flex time policy for Exempt staff not included in this handbook.**

#### 6-7 Voting Time Off

If your normal working hours do not allow you time to vote in general elections, you may use flex time in order to vote. You must schedule this time off in advance with your supervisor.

#### 6-8 Severance Pay

If you quit without giving the standard two-week notice, you will not receive severance pay and may not be eligible for rehire. If your employment is terminated, (for other than temporary work force reduction) you will not receive severance pay.

1 year < than 5 year: No severance pay.

5 years < than 10 year: Two week's severance pay.

10 year < than 15 year: Three week's severance pay.


15 year < than 20 year: Four week's severance pay.

20<sup>th</sup> year (after 20<sup>th</sup> anniversary) and beyond: Five weeks severance pay.

### 7. LEAVE OF ABSENCE

#### 7-1 Paid leave of absence:

- A. Jury Duty - NCI expects that all employees will fulfill their duty as citizens to their community. If you are summoned for jury duty, you will be excused from work for the period of time you serve. When you are summoned for jury duty, you will receive regular straight-time pay for your scheduled lost work time. There is a maximum of eight (8) hours of paid time per day for absence due to jury duty. You should notify your supervisor promptly upon receiving a summons and prior to beginning such service. Upon completion of service, you must provide your supervisor with written verification of service or you will not be paid. You are expected to return to work

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	21/ 50	
MA 0001		Owner	HR	

promptly if you are excused by the court before the end of the workday and have at least two hours left on your normal shift.

B. Bereavement Leave - In the event of death of one of your family members, you are entitled to have paid bereavement leave at your regular pay rate as follows:

- A parent, spouse, a child: 4 consecutive working days maximum
- A brother, sister, grandparent, grandchild, spouse's parent and grandparent: 2 consecutive working days maximum

One day of bereavement leave must be the day of the funeral unless the funeral falls on a weekend. Proof of funeral attendance and relationship to the deceased may be required. Depending upon the circumstances and management's approval, additional unpaid days may be taken to extend bereavement leave.

Additional days off work to attend the funerals of other relatives and friends may be scheduled by the use of personal days, vacation days, or days off without pay (only with the approval of the Company). Proof of funeral attendance (a program, etc.) may be required. No occurrences will count for these days, if approved.

## 7-2 Unpaid Leaves

The company does not allow unpaid leave except for cases described in Appendix B, any violation of the unpaid leave policy shall be counted as occurrence and may lead to disciplinary action.

## 8. GENERAL POLICIES

### 8-1 Open Door Policy

If you have a complaint or work related problem, or if you feel you are not being treated fairly, the Company encourages you to talk to us about it. We want to work with you in solving any problem that might arise. First, discuss the problem with your immediate supervisor or the Human Resources Manager. If necessary, the Human Resources Manager will arrange a meeting with other NCI management. Most problems can be settled by an examination and open discussion of all the facts. Management is sincerely interested in your problems because we believe they are also our problems. Your concerns will be given prompt attention. The reporting procedure under this section does not apply to complaints of harassment or "off the clock" working time, which have their own specific reporting requirements, as outlined above.

### 8-2 Attendance and Absenteeism

A. Reporting Time Off - The ability of the company to operate efficiently and meet its schedules depends upon regular attendance by its employees. All employees who are to be absent or tardy are expected to report the absence directly to their supervisor or the Human Resources Manager at (256) 259-2105 before their shift begins. If proper notice is not given, the employee will be charged with one (1) additional occurrence for that

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	22/ 50	
MA 0001		Owner	HR	

occasion unless the employee calls as soon as possible and, upon returning to work, the employee provides documentation to show that they were in the hospital and/or that it was not possible to notify the Company. The employee must contact the company (not have their spouse or parent call) unless the employee is hospitalized. If the employee is hospitalized, a family member may call on their behalf. Any employee who fails to contact the Company prior to the start of their scheduled shift on three (3) consecutive workdays absent shall be deemed to have abandoned their job (voluntarily quit) and their employment will be terminated.

B. Occurrences - Absence is defined as being absent from work on any scheduled workday without pre-approved time off. Each full day's absence will be counted as one (1) occurrence.

Additional consecutive days of absence up to a maximum of seven (7) calendar days will be recorded as one occurrence if a medical excuse for those days and a medical release to come back to work is provided prior to the start of your next shift. The excuse and release to return to work must be given to your immediate supervisor who will then provide them to Human Resources for filing in your employee medical file.

Whenever possible, employees should schedule appointments outside regular work time. Return to work slips must be from the same doctor who took the employee off work for medical reasons.

C. Prescription medications – If you are under the care of a doctor who prescribes a legal medication, you should ask your doctor if that medication might impair your performance. If there is such a possibility you should inform your supervisor before you report to work. The Company may direct you not to report to work if the medication is determined to create a risk of harm to your safety, or that of other employees.

D. Tardiness – You must be at your workstation ready to work at your scheduled start time. Tardiness is defined as reporting to work or returning from meal or break after the scheduled starting time, but no later than thirty (30) minutes after the scheduled starting time. One occasion of tardiness will be charged as one-fourth (.25) of an occurrence.

E. Partial Day Absence - Employees who report to work later than thirty (30) minutes after scheduled starting time will be charged with one-half (.50) of an occurrence. Employees who leave two or more hours before the end of the shift (with supervisor's permission) and do not use accrued paid time off or flex the time missed will be charged with one-half of an occurrence. Employees who leave less than two hours before the end of their shift (with supervisor's permission) and do not use accrued time off or flex the time missed will be charged with one-fourth of an occurrence.

F. Excused Absences - The following absences will not count as an occurrence:

- Approved sick/personal days
- Approved vacation
- Company observed holidays
- Approved periods of bereavement leave

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	23/ 50	
MA 0001		Owner	HR	

- Jury Duty (must provide documentation in advance from clerk of court)
- Subpoenaed to appear in court (must provide documentation in advance from clerk of court).
- Approved medical treatment due to Company-related worker's compensation injury
- Approved medical or parental leaves of absence including FMLA leave
- Military leave
- Layoff/shutdown
- Company convenience

G. Disciplinary Action - Absence records will be maintained for twelve (12) month periods beginning January 1 and ending December 31 of each year. However, documentation of occurrences and verbal and written warnings will remain in an employee's file for a rolling twelve (12) month period.

Corrective discipline will generally be administered according to the following:

- Three (3) occurrences: Verbal warning
- Four (4) occurrences: Written warning
- Five (5) occurrences: Shall normally result in termination, subject to review and agreement by Management.

As with any policy in this handbook, the Company reserves the right to deviate from this procedure when in its sole discretion other disciplinary actions are warranted. Any person who accumulates five (5) occurrences shall be subject to termination.

Any employee who fails to contact the Company prior to the start of their scheduled shift on three (3) consecutive workdays absent shall be deemed to have abandoned their job (voluntarily quit) and their employment will be terminated.


Management will generally terminate any employee who receives a combination of three (3) verbal and written warnings for absenteeism during any rolling twelve (12) month period, subject to review and agreement.

NOTE: Under certain conditions, short and/or long periods of absence and/or the need for intermittent or partial day absences may make an employee eligible for a FMLA leave of absence.

H. Suspension - All employees are subject to disciplinary suspension. In the case of suspension, the employees will not be paid for the time lost. Any suspension of an exempt employee will be done in compliance with the requirements of the Fair Labor Standards Act, which allows for unpaid disciplinary suspensions for violation of the Company's General Rules of Conduct or the violation of a safety rule of major significance.

### 8-3 Separation from employment

NCI has certain rules of behavior and standards to which each employee and manager is expected to conform. If the Company determines that you fail to meet these expectations and standards of performance then termination of employment without notice is the

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	24/ 50	
MA 0001		Owner	HR	

probable result.

Your employment with NCI MFG Inc is according to Alabama and Michigan state law which provides for "at will employment." "At will employment means that you or the Company may terminate the employment relationship at any time, with or without notice and with or without cause."

In the event you voluntarily quit or are terminated from employment with NCI MFG Inc., you are responsible for paying any pre-paid insurance premiums from the date of separation to the end of the month. These include your portion of family group health insurance, optional life insurance, and others as the benefits become available. You will be given information on continuing coverage of group health through COBRA. See the benefits appendix of this handbook. You are required to return any company property before being issued your final paycheck. Your locker and work area must be cleared of personal items on your last day. If you voluntarily quit, you are expected to provide a two-week advance notice. Failure to do so may result in ineligibility for rehire.

#### 8-4 Appearance and Dress

A. Dress Code Plant & Michigan Technical Non- Exempt – NCI MFG, Inc. wishes to maintain a professional appearance at all times. The image we present to those outside our organization says a lot about the pride we take in our jobs and our company. All plant and Michigan Technical non-exempt employees must wear the assigned uniform appropriate for their job. If you are asked to leave the premises due to a violation of the dress code, you will be subject to an occurrence.

1. Shoes – steel-toed safety shoes are required to be worn in certain areas and by employees in particular jobs. Michigan employees are required to wear in any area defined. Plant employees will be reimbursed up to \$100.00 every 12 months receipt required. Office personnel will be reimbursed up to \$75.00 every 24 months receipt required. No open-toed shoes or sandals can be worn in the plant area. "Plant area" is any area beyond the guard rail, Michigan Technical is any area defined.

2. Shirts – NCI will provide five uniform shirts per employee per year. Uniform pants will be provided upon request (5 per year per employee).


Pants – Uniform pants will be provided upon request (5 per year per employee) or employee may wear blue jean pants (not provided). (Shorts or Capri pants unacceptable) Blue jeans must be un-torn or frayed.

Skirts - At or below the knee is acceptable (for religious, cultural or medical reasons) Skorts are unacceptable

3. College team shirts may be worn on Fridays during football season from the first game to the last game of the season. At the conclusion of football season the dress code policy will be enforced.

(Hoodies, long necklaces, long earrings, long sleeve shirts with wide open sleeves are not acceptable due to safety reason. Long hair should be pulled back. Caps, hats and toboggan are acceptable as long as vision and hearing is not impaired or obstructed.)



Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	25/ 50	
MA 0001		Owner	HR	

B. Dress Code Alabama and Michigan Technical Center Office Staff - NCI wishes to maintain a professional appearance but also allow our employees to work comfortably in the workplace. Clothing that reveals too much is not appropriate for a place of business. All staff appearances should be well groomed; clothing should be clean, neat, not wrinkled, un-torn or frayed.

Guidelines for Monday – Friday workweek:

1. Shirts: Short & long sleeve dress shirts, collar shirts, sweaters, blouses, dress tops, golf shirts, polo shirts, turtle neck, crew neck, knit tops (T-shirts and sweatshirts are unacceptable). (Exception) College team shirts may be worn on Fridays during football season from the first game to the last game of the season. At the conclusion of football season the dress code policy will be enforced.

2. Professional Dress: Dresses and skirts are acceptable (mini- skirts and skorts are unacceptable).

3. Pants: Dress slacks, casual slacks, khaki pants, dockers, dress jeans.

4. Hats: Hats, caps, toboggans and bandana scarfs are not appropriate in the office (Other than head covers that are required for religious or cultural reasons or medical reasons).

5. Footwear: Closed toed shoes for office.

If you are asked to leave the premises due to a violation of the dress code, you will be subject to an occurrence.

#### C. PPE Requirement

PPE –specific Personal Protective Equipment (PPE) will be required in certain areas and certain job assignments. Steel toe shoes are required on plant floor and any area defined at Michigan Technical Center. You will be notified of the PPE required by the Safety department.

NCI requires that safety glasses be worn in all production and maintenance areas at all times. Safety glasses are those defined as meeting appropriate ANSI and OSHA standards. Safety glasses must include side shields. This rule applies to employees, contractors and visitors. For permanent production employees that require corrective lenses, NCI has a program that pays a portion of employee's prescription safety glasses; this information is available from Environmental, Health and Safety Manager.

Hearing protection will be worn in all designated areas. Only approved hearing protection devices are allowed. Visitor and contractors in the designated areas are required to wear hearing protection.

#### 8-5 Lockers and Locker Rooms

Each employee is entitled to use a company locker subject to availability. The Company shall not be responsible for any theft or loss of belongings kept in the lockers and the locker rooms. Employees may place a lock on their locker. The Company reserves the right to make inspections at any time. Employees should not place any personal items in their lockers that they do not wish to be subject to examination by the Company. Employees do not have any expectation of privacy regarding lockers. Upon separation of employment, all personal possessions must be removed from the locker.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	26/ 50	
MA 0001		Owner	HR	

#### **8-6 Smoking or any form of tobacco product on company premises**

Smoking or any use of tobacco products such as vaping, chewing, dipping and spitting are permitted only outside buildings in designated areas identified by a "Smoking Area" sign. Please do not spit on the premises, use a cup instead and dispose of it properly. Do not throw cigarette butts on the ground! Use ashtrays that are provided for you.

Smoking is only permitted during breaks and lunch or during non-working hours.

#### **8-7 Personal Cellular Telephones**

No personal cellular telephones are to be used during your working hours. This prohibition includes texting. All employees must not carry his/her personal cellular devices into the prohibited area for safety purpose except for the designated persons who have company phones. If you use a personal cell phone during your break, please do so in the cafeteria only or outside. All emergency calls should be directed to your supervisor / manager or designated persons. Violation of this policy is subject to disciplinary actions.

#### **8-8 Cleanliness and housekeeping**


You are responsible for keeping your equipment and work area clean, 10 minutes is provided at the end of each shift to maintain cleanup of your area.

#### **8-9 Solicitation-distribution policy**

In order to prevent disruptions in the operations of the Company, and in order to protect employees from harassment and interference with their work, the following rules regarding solicitation and distribution of literature or other materials on Company property must be observed. Violation of these rules will be cause for appropriate discipline.

For employees:

- During working time, no employee shall solicit or distribute literature or other materials to another employee which are not related to his or her job, for any purpose. "Working Time" refers to that portion of any working day in which the employee is supposed to be performing actual job duties. It does not include such times as lunch, break time, or time before or after a shift. Thus, no employee who is on "working time" shall solicit or distribute literature or other materials which are not related to his or her job, to another employee who is on "working time."
- No employee shall distribute literature or other materials which are not related to his or her job, to another employee for any purpose in working areas of the Company. Please do so in the break areas only.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	27/ 50	
MA 0001		Owner	HR	

- No employee shall solicit or distribute literature or other materials which are not related to his or her job, to any visitors at any time for any purpose while on company premises, unless otherwise authorized by applicable law.

For non-employees:

Persons who are not employed by the Company shall not distribute literature or other materials or solicit employees or visitors at any time for any purpose on Company grounds or inside the Company's plant or offices unless pre-approved by the Human Resources Manager or unless otherwise authorized by applicable law.

### 8-10 Visitation Policy

All visitors must enter through the front door and be accompanied by a company staff official, authorization is required to enter the company except for the meeting room. Visitors are restricted without proper authorization except for the meeting room. Visits must be restricted by proper authorization and take place in an appropriate area

- No one except active employees assigned to work during the shift may enter work areas including offices. Employees on leave of absence are restricted to the office areas only.
- When a family member visits, the visit must be restricted by proper authorization and take place in an appropriate area. Visitors are restricted without proper authorization and must be accompanied by a company staff official
- No one under eighteen (18) years of age is allowed in the plant work areas at any time, except on a tour authorized by the Company.


If any employee sees someone on Company property that they believe to be an unauthorized visitor, they should notify their supervisor or Human Resources Department immediately.

### 8-11 Company telephone/email/internet

A. Telephone Use - Although personal calls cannot always be avoided, they should be kept to a minimum, and calls from outside the facility should be limited to emergency situations. If you have a personal call to make you should make that call on your break or lunch period. Long distance calls are not permitted without prior authorization, employees will be responsible for the charges. Personal calls are not allowed in work areas during working times. Emergency calls received from outside will be forwarded to you immediately through your supervisor. Non-emergency callers may leave a message and the message will be forwarded to employee's supervisor.

B. Internet, Email and Electronic Information - Computers, networks, facsimiles, Internet access, email and other electronic information systems, which are provided by NCI MFG, Inc. are for official business only.

Employees are prohibited from using these or any other resources or means to receive, store, display, or transmit any sexually explicit or offensive images, messages, language,

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	28/ 50	
MA 0001		Owner	HR	

or cartoons; messages that contain ethnic slurs, racial epithets; or any other matter that could be construed as offensive, threatening, harassing, or disparaging to others.

Computers, email, the Internet and other electronic information resources are provided for official business only. Employees should not expect privacy with regard to any electronic information resources or related activities while at work, on Company time or while using Company resources. All information may be reviewed by management and other individuals or entities authorized by the Company at any time.

Like other forms of misconduct, misuse of electronic information resources is grounds for disciplinary action up to and including termination of employment. If any employee believes that he or she is being harassed or discriminated against through the use of Company resources, or in any other manner, that employee should contact that individual's immediate supervisor, or the Human Resource Manager for a confidential discussion of the matter. Employees should understand that any complaint will be investigated. No employee will be subject to retaliation for reporting or participating in any investigation involving harassment or discrimination.

#### **8-12 Flowers**

NCI MFG Inc expresses concern/congratulations/sympathy, as the case may be to employees and their families by sending flowers to an employee who is admitted to the hospital for an anticipated stay of three (3) days or more, who gives birth or who adopts a baby, or for a death in the employee's immediate family. Please notify Human Resource of any occasion that would be appropriate for the Company to send flowers.

Contributions to employee for a death of the employee's immediate family will be made by NCI MFG Inc. for the following:

- Spouse of an employee \$300
- Parent of an employee \$250
- Child of an employee \$250

#### **8-13 Company Radio/Television**

Radio – a radio is provided in the production site. The radio station will be changed at or near a specified time by authorized personnel only. Excessive complaints about the radio will result in it being turned off permanently.

Television – Cable TV has been provided in the cafeteria for the enjoyment of all employees while they are on break.

#### **8-14 General Rules of Conduct**

Certain standards of conduct are essential if an organization is to function efficiently and effectively. Employees are expected to fulfill the requirements of their jobs, to carefully follow established procedures and to avoid unnecessary cost, inaccuracies or insufficient volume of work.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	29/ 50	
MA 0001		Owner	HR	

The following are some examples of unacceptable conduct that are in violation of the Rules of Conduct:

- 1) Violation or disregard of basic Company policy or procedure, basic safety rules and safe working practices.
- 2) Neglecting or carelessly performing assigned duties and responsibilities, failing to produce standard quantity or quality of work.
- 3) Failure to report without delay to your immediate supervisor, accidents or personal injury while on duty.
- 4) Spending time at work on non-business matters which interfere with assigned duties.
- 5) Falsifying any company, employee, customer or client record or document with intent to deceive (SUBJECT TO IMMEDIATE TERMINATION).
- 6) Gross neglect of duty (SUBJECT TO IMMEDIATE TERMINATION).
- 7) Willful destruction and/or stealing of the Company's or co-worker's property (SUBJECT TO IMMEDIATE TERMINATION).
- 8) Sabotage or espionage (SUBJECT TO IMMEDIATE TERMINATION).
- 9) Being insubordinate or uncooperative, refusing to follow a manager's reasonable direction (SUBJECT TO IMMEDIATE TERMINATION).
- 10) Deliberately divulging private or personal information from Company records. Giving the Company's confidential information such as cost/pricing/technical information to persons not authorized to have such information (SUBJECT TO IMMEDIATE TERMINATION).
- 11) Possession or use of illegal drugs on Company premises or while on Company business. Coming to work in a condition unfit to perform assigned duties or potentially hazardous to oneself or others (under the influence of alcohol or drugs, for example) (SUBJECT TO IMMEDIATE TERMINATION).
- 12) Employees are prohibited from carrying firearms while on company property or while representing a company's interests in the course of business (SUBJECT TO IMMEDIATE TERMINATION).
- 13) Gambling, lottery, gambling devices or any other games of chance on the Company's premises unless specifically approved by management.
- 14) Gross disorderly conduct including fighting, making threats or provoking such acts regardless of fault (SUBJECT TO IMMEDIATE TERMINATION).
- 15) Sleeping on duty (SUBJECT TO IMMEDIATE TERMINATION).
- 16) Using the Company's telephone for private use, without supervisor's permission.
- 17) Smoking, tobacco use, eating and/or drinking in any area of the premises that has not been designated an approved eating, drinking or smoking location. Drink cups on plant floor must have a lid.
- 19) Absence from job and failing to notify and obtain permission from your immediate supervisor.
- 20) Unauthorized use of a camera on the Company premises (SUBJECT TO IMMEDIATE TERMINATION).
- 21) Intentionally giving any false or misleading information to obtain employment or a leave of absence (SUBJECT TO IMMEDIATE TERMINATION).
- 22) Willfully or habitually violating Company Safety or Health Regulations, including failure to obey traffic signs in plant. (SUBJECT TO IMMEDIATE TERMINATION).
- 23) Failure to wear clothing or PPE conforming to the dress code standards set by the Company.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	30/ 50	
MA 0001		Owner	HR	

- 24) Failure to take proper care of all Company tools, equipment, and property assigned to or requisitioned by you or in your custody and care.
- 25) Interfering with others in the performance of their jobs or engaging or participating in any interruptions of work or production.
- 26) Being in an unauthorized area of the plant or offices.
- 27) Use of headset/headphones/personal radio/TV/cell phone during your work time.
- 28) Not acting as part of the team nor getting along with others.
- 29) Not maintaining a professional attitude.
- 30) Harassing communications - Employees are also expected to conduct themselves in a non-provocative, non-harassing manner on Company premises (SUBJECT TO IMMEDIATE TERMINATION).
- 31) Violation of the Company's Substance Abuse policy (SUBJECT TO IMMEDIATE TERMINATION).
- 32) Driving or operating company equipment without authorization or in an unsafe manner (SUBJECT TO IMMEDIATE TERMINATION).
- 33) Misuse of computers or other company provided equipment/asset.
- 34) Restricting or attempting to restrict company operations (SUBJECT TO IMMEDIATE TERMINATION).
- 35) Intentionally producing or concealing defective work (SUBJECT TO IMMEDIATE TERMINATION).
- 36) Violation of the Company's Harassment policy (SUBJECT TO IMMEDIATE TERMINATION).
- 37) Negligently producing defective work.
- 38) Other serious offenses including violation of any federal, state, or local laws while on Company premises or while acting on the Company's behalf.


Violations of the Rules of Conduct may result in the following disciplinary actions: employee(s) being required to vacate the premises, suspension, disciplinary counseling/write-ups, occurrence(s), or termination. The designation that an infraction is "SUBJECT TO TERMINATION" does not indicate that other offenses, whether listed or not, will not also result in immediate termination. This designation has been used only to provide examples of the types of serious infractions that company considers to be gross misconduct and, thus, will most often subject the offending employee to immediate termination. Investigation by the company of an offense may lead to the conclusion, in some circumstances, that immediate termination is not warranted even though the infraction is so designated.

## 9. SAFETY

See the Safety & Health manual, your supervisor, or the safety department for more information.

### 9-1 On-the-Job Injuries

Employees who are injured while performing work for the company, must report such injury to his or her supervisor immediately no matter how insignificant the injury may appear to be. A first aid box is located in the plant area. If the injury requires more than first aid, the Safety Representative or other authorized personnel will transport you or call an ambulance to transport you to the company doctor or to the emergency room. If the

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	31/ 50	
MA 0001		Owner	HR	

injury is serious, the emergency contact listed in your employee file will be contacted.

If an employee is injured on the job, the employee may be entitled to worker's compensation benefits; however, the employee must immediately report such injury to his or her supervisor at the time of the injury in order to satisfy the "Notice" requirements of the worker's compensation statute. Employees must be treated only by doctors who are specifically authorized by the company or its Worker's Compensation carrier.

## 9-2 Severe Weather Closings/Delayed Openings - Plant & Office

It is the intention of the Company to provide work for employees under even the most severe weather conditions. Employees in turn are expected to take reasonable measures to report for work under such conditions. Any decision to close the plant or delay opening will be made by management. Fires, floods, snow and ice storms, tornadoes, and other conditions beyond the control of the Company may occur on occasions and will be dealt with based upon the circumstances.

A. Closure/delayed opening announcements - Plant & Office - If management authorizes a closure or delayed opening, it will be announced via phone or text as soon as a decision is made. If there is no notification, employees should assume work schedules will continue as usual. You may call the plant to verify it is open.


B. Pay provision in a declared emergency – Employees who wish to leave early, come in late, or not at all due to inclement weather must notify their superior. They will not be paid for the time lost unless they use their accrued personal or vacation time or flex the time lost. They will be granted leave without pay if they do not have time accrued or choose not to use it. The NCI management team will decide if the weather is severe enough to cause a portion of employees to miss work or to be tardy. If so, an occurrence will not be counted. If the plant is open and roads are open and passable, you are expected to report to work as soon as possible. The employee is still expected to call in to report their absence. If a closure or delay for all employees has been announced, reporting the absence is not necessary.

## 9-3 Emergency Evacuation Procedures

It is important that every employee be familiar with our emergency evacuation plan. Make sure that you study the evacuation floor plans posted throughout the plant and that you know where the nearest exit to your workstation is located. Exits and fire extinguishers are clearly marked.

A. Tornado - In the event of the Company being made aware of a tornado in the Alabama area, an announcement will be made over the PA system or your supervisor will notify you. You should immediately go to the nearest designated tornado shelter via the quickest route. Michigan employees should meet in the lab area at the "Emergency Meeting Point" sign.

B. Fire – In the case of a fire, immediately pull the nearest fire alarm. This will notify other employees of the fire and will contact the fire department. Notify a supervisor immediately of the situation. In the case of a fire alarm, employees will hear a loud ringing sound and

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	32/ 50	
MA 0001		Owner	HR	

see lights flashing. Vacate the building immediately via the nearest exit. Employees must meet in front of the building. A headcount will be taken by department leader or other designated person. If possible, a public address announcement will be made identifying the zone problem area in order for the designated personnel to check the area. If there is no fire, the fire and police departments will be notified by calling 911 and explaining the situation. Only employees trained to use fire extinguishers should use fire extinguishers to extinguish any fires. Employees should use good judgement, the Company does not want any employees to risk personal injury. Once the "all clear" is determined, employees may return to their workstation.

C. Snow/Ice Storm – In the event of a snow or ice storm, a decision will be made by NCI management whether or not to close the plant, delay opening, or allow employees to leave early. See section 9-2A on closure/delayed opening announcements for information on how notification will be given. If there is no announcement, the employee may try calling the plant for more information. Otherwise, the employee should assume business will run as usual and should report to work at their scheduled start time.

## **10. CONFIDENTIALITY**

### **10-1 Company Records**

The Company will protect employee's confidentiality. Management expects employees to protect the company's confidences as well. Violation of the confidentiality of company business will result in discipline up to and including discharge. Supervisors may not give out any information about an employee and must refer phone calls seeking such information to Human Resources.

### **10-2 Personnel Records**

Employees are required to cooperate with the Company in maintaining current personnel information. This information includes: 1) Your address, 2) telephone numbers, 3) marital status, 4) emergency contact, and 5) number and names of dependents in your personnel file. Be sure you notify your supervisor or management of any change in your address, telephone, marital status, emergency contacts, or dependents.

You may request to review your personnel file at any time. The request must be made in writing to the HR Manager. The Company will schedule a mutually convenient time for review of your personnel file.

### **10-3 Social Security Privacy**

As a condition of your employment, it is necessary to provide us with your social security number. We need to obtain your social security number to meet payroll, state and federal tax, and insurance coverage requirements.

We take all steps necessary to maintain the confidentiality of your social security number. All documents and records containing social security numbers and information are kept in a secure environment. Only authorized personnel may access records and documents, both internal and



Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	33/ 50	
MA 0001		Owner	HR	

external, which contain employee social security number and identification information. Employees are prohibited from accessing, viewing or using other employees' social security information. No employee is permitted to access or use social security numbers without the express permission of the Company.

When necessary, documents containing your social security number will be properly destroyed through shredding or other means before disposal.

Any employee or individual that accesses social security data without authorization or for illegal purposes shall be disciplined up to and including discharge.

## 11. SUMMARY

There is a great deal of information in this handbook but it will probably not answer all questions. You are encouraged to discuss any questions you may have with your supervisor or with the Human Resources Manager. Keep this handbook where you can easily refer to it and read it again from time to time so you can remain familiar with the information it contains. We are glad to have you as a part of the NCI MFG, Inc. team and wish you every success.

## Appendix A

### Group Benefits Package

NCI MFG Inc reserves the right to amend or cancel any group insurance plan at any time.

#### A-1. Group Health/Dental Insurance

All regular full-time employees are eligible to participate in NCI MFG Inc health and dental insurance provided through Blue Cross Blue Shield. Employees will become eligible on the 91<sup>st</sup> day of employment. The exception to this rule is if the employee was already covered on Blue Cross upon hire, they may come on our policy as a "direct transfer" immediately. Upon separation of employment, your insurance will continue until the end of the month.

See the Human Resources Department if you have any questions concerning forms for enrollment, dependent change, address change forms, or general questions. You can also find specific information related to your coverage at [www.bcbsal.com](http://www.bcbsal.com). You may also call Blue Cross customer service at 1-800-292-8868.

COBRA Rights - The Consolidated Omnibus Budget Reconciliation Act (COBRA) requires

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	34/ 50	
MA 0001		Owner	HR	

that employers of over 20 employees offer continuation of health insurance coverage to employees and their dependants after coverage under the employer's plan would normally end. Employees who have been voluntarily or involuntarily terminated, have had their hours reduced making them ineligible for coverage by the plan, or dependents dropped from the plan due to divorce are eligible for up to 18 months of extended coverage through COBRA. If you have questions regarding the COBRA plan, please see Human Resources for more information.

#### **A-2. Retirement Plan**


NCI MFG Inc. provides all regular full-time employees with a retirement plan through Merrill Lynch. The plan is called a SIMPLE-IRA plan. This plan is an important benefit that you are encouraged to participate in to prepare for future financial needs, such as retirement.

Employees are eligible to join this plan on January 1<sup>st</sup> after working 1250 hours in a year. You may drop out of the plan at any time but may not re-enroll until the following January 1<sup>st</sup>. Employees may contribute a percentage of their salary pre-tax to the plan via payroll deduction. Deduction amounts may be changed once per quarter. NCI MFG Inc will match up to 3% of the employee's salary each year. An employee may contribute up to the maximum allowable by the Internal Revenue Service per year. NCI's Accounting Department will remit your payroll deduction amount and NCI's match each week. These deposits will be made into the fund(s) you specified upon signing up. If you wish to change funds, it is your responsibility to contact your Merrill Lynch representative at 1-866-626-9515. NCI MFG Inc. will not be responsible or liable for any funds after they have been deposited into your Merrill Lynch account.

You must remember to keep your address and beneficiary information current with Merrill Lynch. See the HR department for change forms.

#### **A-3. Short-term Disability Insurance**

NCI provides all regular full-time employees with free short-term disability insurance through The Lincoln Financial Group. Employees will become eligible on the 1<sup>st</sup> day of the month following 3 months service. The disability benefit is equal to 60% of your income before becoming disabled, but will not exceed \$1500, STD benefits are payable for up to

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	35/ 50	
MA 0001		Owner	HR	

13 weeks. The waiting periods are as follows:

1. For disability due to accidental injury: none
2. For disability caused by physical illness: 7 calendar days

If you feel you qualify for disability, see the Human Resources department for the proper forms to be filled out by you and your physician.

#### **A-4. Life Insurance**

NCI MFG Inc provides all regular full-time employees with a \$25,000 life insurance policy through Lincoln Financial Group. This policy also provides an additional \$25,000 of accidental death & dismemberment (AD&D) insurance. Benefits begin to decrease at age 65. Employees will become eligible on the 1<sup>st</sup> day of the month following 3 months of service. You will designate your beneficiaries for this policy. Upon separation of employment, you may continue this policy at your own expense by contacting Lincoln Financial Group at 1-800-423-2765. For information on this company-provided plan, see your copy of your policy, the NCI HR department, or call Lincoln Financial Group directly at 1-800-423-2765. Your certificate number is your social security number.


#### **A-5. AFLAC Optional Insurance**

NCI provides employees the opportunity to purchase additional optional insurance from AFLAC. Employees are eligible to purchase optional insurance after the required waiting period. If the employee chooses not to purchase AFLAC at that time, they may enroll during the annual open enrollment period in May. AFLAC offers policies for cancer, hospital, accident, and specified health events. All optional insurance purchased from AFLAC will be deducted from the covered employee's weekly paycheck. Some of the policies are part of NCI's cafeteria plan and will be deducted pre-tax. Your AFLAC agent will discuss the specific plans with you.

If you have any questions, please see the Human Resources Department.

#### **A-6 Other**

NCI has also made available to its employees the opportunity to purchase Long Term Disability (LTD) Insurance through Lincoln Financial Group and Vision Insurance through Always Care.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	36/ 50	
MA 0001		Owner	HR	

#### **Continuation of Benefits:**

1. Termination - all insurance coverage cease upon the employee's termination of employment. The employee will be responsible to pay their portion of premiums from the date of termination until the end of the month. This will typically be taken out of the final paycheck or vacation cash out, if available. If there are not enough funds in the final paycheck, the employee is required to reimburse NCI their portion of the final premium payment. Health insurance coverage may be continued through COBRA at your own expense. You will be given this information regarding election of COBRA benefits upon your separation of employment.
2. Layoffs – insurance will be continued for employees during temporary layoffs (less than 4 consecutive weeks). Employees will be responsible to pay for their portion of family coverage and any optional insurance coverage.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	37/ 50	
MA 0001		Owner	HR	

## Appendix B: Unpaid Leave of Absence

### A. Family Medical Leave

A. Family Medical Leave – As required by federal law, NCI MFG, Inc. provides eligible employees with up to twelve (12) weeks of unpaid, job-protected leave for certain family and medical reasons provided under the Family Medical Leave Act (FMLA). A rolling twelve (12) month period is used to determine maximum eligibility for all leaves. See definitions section 2F for continuation of health coverage rules.

NCI MFG., Inc. employees are eligible for leave for the following reasons:

#### 1. Parental Leave

- a. Birth of your child and to care for the newborn child within one year of birth;
- b. Placement of a child with you for adoption or foster care and to care for the newly placed child within one year of placement

#### 2. Medical Leave

- a. The need to care for an employee's spouse, child\*, or parent who has a serious health condition.
- b. The employee's own serious health condition<sup>1</sup>.

#### 3. Military Family Leave (enacted January 28, 2008)

Active Duty Leave – Eligible employees are entitled to up to 12 weeks of leave during any 12 month period because of “any qualifying exigency” arising out of the fact that the spouse, son, daughter, or parent of the employee is on active duty, or has been notified of an impending call to active duty status, in support of a contingency operation.

Caregiver Leave – An eligible employee who is the spouse, son, daughter, parent, or next of kin of a covered service member who is recovering from a serious illness or injury sustained in the line of duty on active duty is entitled to up to 26 weeks of leave in a single 12-month period to care for the service member. The military caregiver leave is available during “a single 12-month period” during which an eligible employee is entitled to a combined total of 26 weeks of all types of FMLA leave.

\*Children must either be under the age of eighteen (18), of age eighteen (18) or older and “incapable of self-care because of mental or physical disability”.

Although leave may be taken for any of the above listed reasons, an employee is entitled to a total of twelve (12) weeks of covered leave within a rolling twelve-month period, measured backward from the date of the most recent request for a covered leave of absence. Each time an employee requests a leave or is determined to be covered under the provisions of this policy, the available time for a leave of absence will be the balance

<sup>1</sup> See definition at end of this section.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	38/ 50	
MA 0001		Owner	HR	

of the total twelve (12) weeks which has not been used during the twelve (12) months preceding the current request for leave.

Eligibility for family medical leave: To be eligible for leave, you must have been employed by the Company for at least twelve (12) months and have worked for at least 1250 hours during the twelve (12) month period immediately preceding the commencement of the leave.

Notice requirements for family medical leave: Anyone seeking time off who may be eligible for a medical or parental leave of absence under this policy must see the Human Resources Manager and complete the proper leave request forms.

<sup>1</sup> See definition at end of this section.

Where the need for leave is foreseeable, the written request must be submitted at least thirty (30) days prior to the desired beginning of the leave of absence. Failure to give at least thirty (30) day notice of a foreseeable need for a leave of absence may delay the start of the period of time in which the leave is considered approved, until thirty (30) days after the date on which the notice is received by the Company, which could result in unapproved absences.

If the need for a leave is not foreseeable, the employee (or family member if employee is incapacitated<sup>2</sup>) must provide at least verbal notification to their supervisor as soon as possible after learning of the need for medical leave. In such an event, the employee must submit a written request for leave to the Human Resources Department as soon as practicable after giving verbal notice.


Certification of the need for family medical leave: In addition to providing notice of the need for leave, any employee who needs to have a medical leave of absence must present a certification of the need for a leave of absence. This certification must be provided within fifteen (15) days of the request unless it is not practical under the circumstances. The Human Resources Department has forms available for you to have filled out by your health care provider. Failure to provide certification may result in your leave being delayed, denied, or revoked.

\*NOTE: When the Company has reason under the FMLA, it may require a second or third medical certification at Company expense. The Company further reserves the right to require re-certification of continuance of a serious health condition on thirty (30) day intervals. Re-certification may also be required if:

- You request an extension of leave;
- Circumstances described by the original certification have changed significantly;
- The Company receives information that casts doubt upon the continuing validity of the certification;
- You are unable to return to work because of the continuation, recurrence, or onset of a serious health condition.

Intermittent family medical leave: Generally, leave must be taken in a block. Under

<sup>2</sup> See definition at the end of this section.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	39/ 50	
MA 0001		Owner	HR	

certain circumstances, however, leave may be taken on an intermittent or reduced work schedule basis.

Family Medical Leave may be taken intermittently or on a reduced work schedule basis, if the requesting employee produces the required certification that there is a medical need for a leave of absence and that medical need is best accommodated through an intermittent leave or reduced work schedule.

**\*NOTE:** The Company reserves the right to require a second or third medical opinion in appropriate cases.

If Medical Leave is requested on an intermittent or reduced work schedule basis, the Company may, at the discretion of management, transfer the employee temporarily to an available alternate position for which the employee is qualified and which better accommodates recurring periods of leave than does the employee's regular position. Any such transfer will be to a job that offers pay and benefits that are equivalent to those available in the employee's regular job, but the job duties of the alternative job do not have to be equivalent to the employee's regular job.

Use of Accrued Days Off: Employees on an approved leave of absence will be required to use all earned, unused sick/personal days during the approved leave of absence. In addition, the employee may choose to use vacation time but is not required to do so.

Return to work after medical leave: An employee returning from leave taken because of their own health condition must provide a certification from their health care provider that they are fit to return to work before they are permitted by the Company to resume work. Employees will not lose any seniority or other benefits that were accumulated before the leave was taken. Employees may not, however, be entitled to discretionary raises, promotions, transfers, or other benefits that become available during the period of leave.


If an employee does not return to work after being released by their health care provider or not notify the Company of his or her inability to return to work in order to determine whether additional leave is available, the Company may treat the employee as having resigned employment, therefore termination of his or her employment. The employee will be responsible for the Company's portion of health insurance premiums paid during the time of absence.

Spouse aggregation: In the case where both you and your spouse are employed by the NCI MFG Inc., the aggregate number of weeks to which you both are entitled because of the birth or placement of a child or care for a parent with a serious health condition will be limited to twelve (12) workweeks during any twelve (12) month period. This limitation does not apply in instances where leave is taken because of your own serious health condition or to care for a spouse or child with a serious health condition.

Definitions:

1. "Serious health condition" is defined as an illness, injury impairment, or physical or mental condition that involves one of the following:

1. Hospital Care – inpatient care (an overnight stay) in a hospital.
2. Absence plus Treatment – a period of incapacity of more than three

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	40/ 50	
MA 0001		Owner	HR	

consecutive calendar days that also involves: treatment two or more times by a health care provider; or treatment by a health care provider on at least one occasion which results in a regimen of continuing treatment under the supervision of the health care provider.

3. Pregnancy – any period of incapacity due to pregnancy, or for prenatal care.
  4. Chronic Conditions Requiring Treatments – a chronic condition which requires periodic visits for treatment by a health care provider, continues over an extended period of time, and may cause episodic periods of incapacity.
  5. Permanent/Long-term Conditions Requiring Supervision – a period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective.
  6. Multiple Treatments (non-chronic) – any period of absence to receive multiple treatments by a health care provider for restorative surgery or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical treatment.
2. "Incapacity" is defined as lacking the physical power to work, attend school, or perform other regular daily activities due to the serious health condition.

B. Military Leave - Military leave will be granted to any Regular Full-Time employee upon request and in accordance with all applicable laws. Contact the Human Resources Manager for specific information related to your leave request.

C. Drug/Alcohol Rehabilitation – Please refer to the Drug & Alcohol Abuse Policy for rehabilitation leave of absence policy.


D. Court Appearance – If you are summoned to appear in court as a witness or a litigant, you will receive unpaid leave unless you use pre-approved accrued paid time. No occurrence will be counted if you provide proof of appearance from the court clerk. You are expected to return to work promptly if you are excused by the court before the end of the workday and have at least two hours left on your normal shift.

E. Other Leave – There are no provisions for other unpaid leaves of absence. Under special circumstances (after all accrued leave is exhausted), a team of the HR Manager, President or Plant Manager, and the employee's immediate supervisor must decide if an unpaid leave for other than parental, medical, drug rehabilitation, court appearance, or military leave may be granted.

F. Continuation of health insurance while on leave - An employee away from work on unpaid leave may continue medical insurance coverage while on leave by timely paying their portion of the monthly insurance premium on or before the same day such payment would be required if payment were made by payroll deduction.

Where the need for leave is foreseeable, the employee will be asked to sign an agreement before the leave of absence begins that: (1) discloses the amount of premium; (2) indicates that the employee understands their insurance premium payment obligations. If the leave is not foreseeable, this agreement must be signed as soon as possible after the leave begins.



Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	42/ 50	
MA 0001		Owner	HR	

## B. Drug Free Workplace Substance Use Policy and Procedures

### 1. GENERAL POLICY

NCI Manufacturing, Inc. recognizes that our employees are our greatest asset. Our goal is to provide the best possible product and service to our customers. Our employees are the key to achieving this goal. It is important that every employee of NCI Manufacturing understand the dangers of substance use and be aware of state and/or federal requirements concerning substance use. NCI Manufacturing's policy and procedures are not a contract of employment. NCI Manufacturing reserves the right to depart from this policy and procedures where management deems it is appropriate, and all employees are at will employees. Except where specifically prohibited by law, the guidelines contained within the policy and procedures may be changed by management at any time. Employees covered by NCI Manufacturing's policy and procedures will be informed of any changes.

### 2. DEFINITIONS:


**A. Alcohol** is ethyl alcohol or spirits of wine, from whatever source or by whatever process produced.

**B. Breath Alcohol Concentration (BrAC)** is the alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath.

**C. Confirmation Test or Confirmed Test** is a second analytical procedure used to identify the presence of a specific drug or metabolite or alcohol in a specimen. The confirmation test shall be different in scientific principle than that of the initial test procedure. The confirmation method shall be capable of providing requisite specificity, sensitivity, and quantitative accuracy.

**D. Drugs** as used in this policy include illegal use of controlled substances, drugs which are not legally obtainable, or the improper use of prescriptions. Unless otherwise stated, this term refers to amphetamines, cannabinoids, phencyclidine (PCP), methadone, opiates, cocaine, methaqualone, barbiturates, benzodiazepines, propoxyphene, or a metabolite of any of these substances.

**E. Evidential Breath Testing Devices (EBT)** is used for alcohol testing which has been approved by the National Highway Traffic Safety Administration (NHTSA) and placed on NHTSA's "Conforming Products List of Evidential Breath Measurement Devices."

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	43/ 50	
MA 0001		Owner	HR	

**F. Medical Review Officer (MRO)** is a licensed physician (medical doctor or doctor of osteopathy), certified by either the American College of Occupational and Environmental Medicine or The American Association of Medical Review Officers, responsible for receiving laboratory results generated by an employer's drug testing program. The MRO shall have knowledge of substance abuse disorders and appropriate medical training to interpret and evaluate an individual's confirmed positive test, medical history, and other relevant biomedical information.

**G. Prescription Medication (Prescription Drug)** is a drug or medication lawfully prescribed by a physician for an individual and taken by that individual in accordance with the prescription.

**H. Safety Sensitive Functions** includes positions that involve any of the following: all areas within the production facility, operation of company vehicles, machinery, or equipment (the mishandling of which may place fellow employees or the general public at risk of serious injury, or the nature of which would create a security risk in the workplace); or the handling of hazardous material.

**I. Substance** is drugs or alcohol.

**J. Substance Test or Test** is any chemical, biological, or physical instrumental analysis administered for the purpose of determining the presence of a drug or alcohol.

### 3. DRUG USE/DISTRIBUTION/POSSESSION:

All employees are prohibited from possessing, distributing, manufacturing, or having a detectable presence of any drug substance, abused prescription drugs or any other mind altering or intoxicating substances in their system while at work or on duty.

### 4. ALCOHOL USE/POSSESSION:

All employees are prohibited from possessing, drinking, or having a detectable presence of alcohol in their body while at work or on duty. Evidential breath testing devices (EBTs) on the National Traffic Highway Safety Administration Conforming Products List will normally be used to determine BrAC. When using EBTs the Department of Transportation (DOT) 49 Code of Federal Regulation (CFR) Part 40 procedures shall be followed in administering and documenting the BrAC test.

### 5. OFF-DUTY CONDUCT:

Off-duty use of drugs, alcohol or any other prohibited substances which results in impaired work performance, which may include absenteeism, tardiness, poor work performance, damage to the

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	44/ 50	
MA 0001		Owner	HR	

employer's reputation, or inferior quality of work, is prohibited.

Employees who are arrested for off-the-job drug activity may be in violation of this policy. In deciding what action to take, the company will consider the nature of the criminal charges, the employee's current job assignment, the employee's record with the company and the impact of the employee's arrest on the conduct of company business. Employees charged with possession of an illegal or controlled substance will automatically be required to submit to a drug screen with negative results before being permitted to return to work.

## 6. DRUG CONVICTIONS:

Any employee who violates any criminal drug law and is convicted of the violation must report his or her conviction to the company within three days after conviction. Employees so convicted are subject to discipline up to and including discharge.

## 7. PRESCRIPTION MEDICATIONS:


The proper use of medication that is legally prescribed by a physician is not prohibited. Employees performing duties in (all areas of the production facility, operation of company vehicles, machinery, or equipment) shall notify their supervisor, whenever a prescription medication is taken. Employee should discuss the medication with their physician to determine if it may affect the employee's ability to safely perform the job without a risk of harm to the employee or to others.

Employees must not report to work or work while under the influence of legally obtained drugs, such as doctor-prescribed medication, if the drugs render the employee unfit for duty.

## 8. SUBSTANCE USE TESTING PROGRAM:

A. Conditions for which testing shall be conducted.

I. Pre-Employment Testing shall be required of all applicants that receive an offer of employment. Prior to testing, the applicant shall be afforded the opportunity to voluntarily sign a Substance Use Testing Consent Form. If the applicant refuses to sign the Substance Use Testing Consent Form, consideration for employment shall be withdrawn. If an applicant tests positive for the use of drugs or alcohol, consideration for employment shall be withdrawn. The applicant has five days to contest or explain a confirmed positive test after written notification of such result from the employer. It is the current use of alcohol and drugs, not the past history that prevents the applicant from being accepted

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	45/ 50	
MA 0001		Owner	HR	

for employment. The applicant that tested positive may, after a period of at least six months, seek employment with NCI, but the applicant must present themselves free of substance as evidenced by NCI Pre-Employment Testing.


II. Reasonable Suspicion Testing shall be required when it is believed that an employee is using or has used drugs or alcohol in violation of NCI's policy. Testing shall be based upon specific objectives and articulable facts and reasonable inferences as identified on the "Reasonable Suspicion Report Form", Such facts and interferences may be based upon, but not limited to, the following:

- Direct observation of substance abuse or of the physical symptoms or manifestations of being impaired due to substance use.
- Abnormal conduct or erratic behavior while at work or a significant deterioration in work performance.
- A report of substance use provided by a reliable and credible source.
- Evidence that an individual has tampered with any substance use test during his or her employment with the current employer.
- Evidence that an employee has used, possessed, sold, solicited, or transferred drugs while working or while on the premises of NCI or while operating NCI's vehicle, machinery, or equipment.
- Causing or contributing to a workplace accident.

The supervisor requesting testing shall complete, explain in detail the circumstances and evidence warranting testing, and sign the "Reasonable Suspicion Report Form" at the time testing is requested, if feasible, but within 24 hours of testing in any event. The supervisor should have the corroboration of another supervisor, when possible, before the employee is requested to be tested. In the absence of another supervisor, another employee may be requested to witness the observation and the "Reasonable Suspicion Report Form."

If use is suspected, the employee will be transported to the collection site for testing. Under no circumstance shall the employee be permitted to drive if the employee appears to be impaired, disoriented, or confused.

III. Post-accident Testing shall be conducted when an employee causes or contributes to any accident resulting in injury requiring more than simple first-aid treatment, damage to company property, or when the employee causes or contributes to a loss-time accident. For alcohol testing, the employee shall be tested within eight-hours of the accident. Drug testing shall be conducted within 32 hours of the accident.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	46/ 50	
MA 0001		Owner	HR	

IV. Post Rehabilitation Testing shall be conducted at least once a year during a two-year period after an employee returns to work upon the completion of a voluntarily requested rehabilitation related to substance use.

V. Random Testing will be conducted on a monthly basis. All employees regardless of position will be subject to random testing. The employer will test 12% of the total work force over the course of a year.

\*To ensure the success of this drug and alcohol policy, the company may require employees to undergo drug or alcohol tests. Usually, tests will be in the form of a urinalysis, but they may also be in the form of a blood test or physical examination. A certified laboratory will perform all confirmed test.

A positive drug test result means an employee (or applicant) has illegal or illegally used drugs in his or her system. All positive test results will be confirmed using another drug testing technique and shall be reviewed by a specially trained medical review officer (MRO) designated by the company.

A positive alcohol test result means an employee (or Applicant) has an impermissible amount of alcohol in his or her system.

When Employees Are Subject to Testing:

- An employee is subject to drug or alcohol testing whenever the company has reasonable cause to believe the employee is unfit for duty due to drug or alcohol use.
- An employee is subject to drug or alcohol testing whenever the company has reasonable cause to believe the employee uses or has used illegal drugs, legal drugs, or alcohol in violation of this policy.
- Employees involved in work-related accidents, injuries, property damages, or accidents involving company vehicles, are subject to drug and alcohol testing. Note: All accidents or injuries must be reported on a timely basis. Failure to do so can result in disciplinary action up to and including discharge.
- Employees who return to work after completing a voluntary drug or alcohol rehabilitation program are subject to unannounced testing at any time during the five years following their return to work.
- Employees who test positive for drugs or alcohol use will be terminated.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	47/ 50	
MA 0001		Owner	HR	

- An employee is subject to drug testing on a random basis when their social security number and name is pulled from a pool of all employees by an outside contracted agency.

Upon notification that a drug/alcohol test is required, an employee will proceed to the designated agency where staff will collect a urine sample and possibly a breath alcohol screen. To protect employee privacy, individual test results are considered confidential information to be shared only with the employee and other company officials/representatives having a legitimate need to know. Upon written requests, an employee will be given access to his/her test records. The Medical Review Officer will confirm all results positive or negative.

#### VI. Searches:

When there is reason to believe, in the opinion of management, that an employee under the influence of intoxicants, drugs, or narcotics, or is in possession of any intoxicants, drugs, narcotics or equipment, products or material which are used, intended for use or designated for use with non-prescribed controlled substances, the company may request that the employee submit to a search of his/her person and/or property, including, but not limited, work stations, offices, lockers, desks, cabinets, closets, and vehicles brought onto premises.

#### A. Specimen Collection and Analysis

Specimens shall be collected in a manner that will afford the individual privacy, yet be reasonably calculated to prevent substitution or adulteration of the specimen. The donor will be given the opportunity, after specimen collection, to record any information considered relevant to the test, current or recently used prescription or nonprescription medication or other medical condition, on the back of the donor's copy of the chain of custody control form.

The employee/applicant shall observe the collector prepare the chain of custody control form and the specimen for shipment. The employee/applicant shall initial and/or sign the appropriate labels and control form for transporting the specimen as verification of the collector preparation of the control form and specimen.

The (Laboratory Corporation of America, 1120 Main St, South Haven, Miss. 38671) will analyze all specimens. All initial tests having a positive result shall be confirmed. The laboratory will forward the results of all tests to (Neil J. Dash MD, D.R.S.) medical review officer (MRO). The (Providence Occupation Health Partners, 37595 Seven Mile Road, Livonia, MI. 48152) will analyze all specimens

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	48/ 50	
MA 0001		Owner	HR	

in Michigan. The laboratory will forward the results of all test to (Dr. Andrew Vosburgh) medical review officer (MRO).

The MRO will attempt to contact the donor within 72 hours of notification to ascertain if there is a medical reason for a positive result. If the MRO cannot contact the donor within 72-hours, the test will be reported to the employer as positive. The employee/applicant may request another analysis of the original specimen at his or her own expense. If a medical reason caused a positive test result and would not affect the employee's ability to perform his or her duties, the MRO will report the test to the employer as a negative.

#### B. Sanctions


An employee who voluntarily admits to a drug or alcohol problem seeking assistance, prior to being requested to submit to a substance use test, may not be terminated for requesting help.

The company recognizes the value of its human resources and encourages employees to seek help for drug or alcohol problems. We believe that seeking help before the problem becomes a performance or disciplinary matter is beneficial for both the employee and the company.

Employees who notify the company that they have a drug or alcohol problem before their problem becomes a disciplinary matter will be granted, upon request, an unpaid personal leave of absence after they have received a recommendation from a qualified substance abuse professional to seek the necessary rehabilitation. The opportunity to enroll in a rehabilitation program will be limited to those who voluntarily request such assistance prior to testing positive for drugs/alcohol under the provisions outlined in this policy. Employees may seek assistance independently or request appropriate referrals from the Human Resources Manager.

Employees choosing to participate in a rehabilitation/treatment program must notify the Human Resources Manager immediately upon their enrollment. Employees who notify the company of their drug or alcohol problem only after the company has begun investigation whether they are in violation of this policy remain subject to termination for policy violations.

The employee has five days to contest or explain a confirmed positive test after written notification of such result from the employer.

Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	49/ 50	
MA 0001		Owner	HR	

Any employee testing positive for drugs or alcohol will be terminated.

To assist us in providing a safe and healthy workplace, a resource file of information on various means of employee assistance in the community, including but not limited to drug and alcohol abuse programs, is maintained in Human Resource Office. This information will be distributed to employees for their confidential use.

Any employee who refuses to submit to testing or who refuses to cooperate shall be terminated.

According to Code of Alabama, 1975 Section 25-5-51:

1. No compensation shall be allowed for an injury due to the injured employee being intoxicated from the use of alcohol or being impaired by illegal drugs, if the intoxication or impairment caused or contributed to the accident.
2. No compensation shall be allowed if the employee refuses to submit to or cooperate with a blood or urine test.

## 9. EDUCATION AND TRAINING

A. All employees shall semiannually receive one hour of education which will include at a minimum the following subjects:

- I. An explanation of the disease model of addiction;
- II. The effects and dangers of commonly abused substances in the workplace; and
- III. NCI's policy and procedures regarding substance use.


B. Supervisors shall receive an additional two hours of annual training which will include at a minimum the following subjects:

- I. How to recognize signs of employee substance abuse;
- II. How to document and corroborate signs of employee substance abuse; and
- III. How to refer substance abusing employees to the proper treatment providers.

## 10. CONFIDENTIALITY OF INFORMATION

All information, interviews, reports, statements, memoranda, and test results, written or otherwise,



Classification	NCI MFG. Inc.	Issue Date	2018/9/1	Approval
Level III	Title : Employee Handbook	Supersedes		
Identification		Pages	50/ 50	
MA 0001		Owner	HR	

received through NCI's substance use testing program shall be held as confidential communications by NCI, MROs, laboratories, drug and alcohol rehabilitation programs, employee assistance programs, and their respective agents. These communications may be used or received in evidence, obtained in discovery, or disclosed in any civil or administrative proceeding. However, information on test results shall not be released or used in any criminal proceeding against the employee or applicant. Release of such information under any other circumstance shall be solely pursuant to a written consent form signed voluntarily by the individual that was tested, unless the release is compelled by an agency of the state or a court of competent jurisdiction or unless deemed appropriate by a professional or occupational licensing board in a related disciplinary proceeding.

## 11. POLICY VIOLATIONS

Employees are subject to termination if they violate any provisions of this policy, refuse to take, or delay taking a required drug or alcohol test, or refuse to cooperate with a company investigation of policy violations.