

FRANTZ MANUFACTURING COMPANY GUIDELINES TO DISCIPLINARY ACTION

Disciplinary Procedure

All employees are employed at will. The company may, in its sole discretion, terminate the employment of employees. The Company, also in its sole discretion, may discipline employees. These are guidelines for discipline, and do not constitute a promise. The Company may vary from this Guideline, in its discretion.

Violations of Company rules may result in Disciplinary action up to and including discharge. Disciplinary action may vary. The Degree of severity of the action as well as the frequency of the violation will determine the level of discipline administered.

The company rules are divided into four classes. The following penalties will generally be imposed for each violation:

Class A - 1st Written warning entered in employee's file

Class B - 2nd Written warning entered in employee's file

Class C - Suspension- five days

Class D - Discharge

Each repetition of the same offense will justify the next higher penalty indicated above.

Certain types of conduct appear in several classes. The specific penalty may be imposed is a matter of the Company's discretion.

CLASS A OFFENSES

Solicitation during working time.

Littering the facility or Company grounds.

Wasting time or loitering, including loitering at time clocks, lunch room or restrooms.

Parking in unauthorized parking areas.

Absence from assigned work areas without authorization, including failure to adhere to scheduled work and break time.

Failure to maintain required standards of performance.

Gambling.

Violation of safety rules including failure to wear prescribed safety apparel in the manufacturing areas.

Violation of Hazardous Material policy.

Violation of Smoking policy.

CLASS B OFFENSES

Unauthorized use of Company equipment or property for personal use, or performing personal work on Company property.

Careless operation of Company equipment.

Operating equipment without proper safety apparel or safety equipment.

Violation of Anti-Discrimination and Harassment Policy

Violation of Sexual Harassment Policy.

CLASS C OFFENSES

Abusive language to employees or supervision.

Failure to be truthful in Company investigations of safety or employment matters.

Violation of Anti-Discrimination and Harassment Policy.

Violation of Sexual Harassment Policy.

CLASS D OFFENSES

Leaving the facility during working hours for any reason without authorization from supervisor. If your supervisor is not present, contact another supervisor, the Plant Manager, or call your supervisor at their home.

Malicious damage to Company property.

Insubordination- (refusal to perform duties as ordered)

Stealing - removing Company property from the premises without proper authorization, or stealing from another employee.

Fighting, threatening or inflicting bodily harm on employees of the Company.

Use of, or possession of intoxicating liquors or a controlled substance on Company property.

Reporting to work under the influence of alcohol or drugs or refusing to take a drug test.

Falsification of employee records, including but not limited to: employment application, accident report or reports of injury, or time sheets.

Participation in, or counseling of other employees to participate in, any concerted stoppage of work, slowdown, or any other interruption of production.

Horseplay or acts that endanger the employee, other employees, or Company property.

Sleeping on Company time.

Conviction of a felony.

Modifying Company equipment in such a way as to adversely affect its productivity, or overriding or removing safety equipment from Company property.

Possession of weapons on Company property.

Violation of Anti-Discrimination and Harassment Policy.

Violation of Sexual Harassment Policy.

Drug and Alcohol Testing

Drug and alcohol testing will be performed as listed below:

Pre-employment

Accident - If sent out for treatment. This will include not only the injured employee, but employees who may have been involved in the accident.

Suspicion of possession or being under the influence of alcohol or drugs.

Refusal to submit to testing when requested may result in discharge.

Attendance

Attendance is critical to all of our success. Frantz has a comprehensive attendance policy that progressively disciplines attendance problems. Please refer to that policy if you have questions.

Probation

All new employees are under probationary status for one year from your date of hire. This means that the progressive discipline outlined above may not be used, and probationary employees may be subjected to accelerated discipline, including discharge.

Sexual harassment and Anti-Discrimination Policy

Frantz Manufacturing Company maintains a written policy on matters of sexual harassment and discrimination. this policy is posted on Company boards and is strictly adhered to. If you have questions, or need to report a violation, please contact your supervisor or the Director of Human Resources.