

Employee

Handbook

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WELCOME

FAIRCAST, INC., would like to welcome you. We believe that each employee contributes directly to FAIRCAST's growth and success and we hope you will take pride in being a member of our team.

We wish you all of the success possible during your employment with FAIRCAST, INC.

INTRODUCTION

INTRODUCTORY STATEMENT

No Employee Handbook can anticipate every circumstance or question about employment policies and procedures. Accordingly, except for the at-will policy, and such policies as may be required by law, the Company, FAIRCAST, INC., reserves the right to add, modify, supplement, rescind, or revise any provision of this Handbook, or the policies, practices, benefits and procedures on which they are based, from time to time, without advance notice, as it deems necessary or appropriate at its discretion. The benefits described herein are provided at the sole discretion of the Company, FAIRCAST, INC., and this Handbook is not and should not be interpreted to be an assurance, promise or guarantee of an obligation to continue to provide such benefits. The Company, FAIRCAST, INC., reserves the right to deviate from the policies and guidelines set forth herein if appropriate under the circumstances.

Furthermore, the Handbook is not a substitute for the terms of any medical or other benefits plan. If there is any time a conflict between this Handbook and the terms of the benefit plan (which you should read carefully), the terms of the benefit plan and not this Handbook will control.

This Handbook supersedes any and all Handbooks and /or manuals prior to the date appearing below or the date of any subsequent revisions. This Handbook also supersedes all prior oral and/or written policies, procedures, rules, regulations, commitments and practices by the Company, FAIRCAST, INC. Accordingly, please discard any and all copies of previously issued Handbooks or return them to the Human Resources Department.

All representations by any employee of the Company, FAIRCAST, INC., that in any respect conflict with any matter set forth in this Handbook are invalid unless specifically acknowledged in writing and signed by the General Manager and the Human Resource Manager.

IN ADDITION, THIS HANDBOOK IS NOT INTENDED TO AND DOES NOT CONSTITUTE AN EMPLOYMENT CONTRACT FOR A SPECIFIC PERIOD OF TIME OR FOR TERMINATION ONLY FOR CAUSE.

AT-WILL EMPLOYMENT

Employment with FAIRCAST, INC., is on an At-Will basis. This means that the employment relationship may be terminated by you or the Company, FAIRCAST, INC., at any time, with or without cause or prior notice, provided that the reason for termination is not in violation of any statute or law.

This at-will policy shall not be modified by any statements contained in this or any other employee guides, employment applications, company recruiting materials, company memorandum, or other materials provided to employees in connection with their employment. No company document nor any other written or verbal communication whether singly or combined, shall create an express or implied contract of employment for any specific period of time nor are they intended to create a warranty or guarantee of benefits concerning any terms or conditions of employment unless signed by the General Manager or by the Human Resources Manager. The Company's policies are described for informational purposes only, and may be modified or eliminated by the company in its sole discretion, to the extent allowed by law, except that FAIRCAST, INC., will not modify its policy of employment at-will.

Statements of specific grounds for termination set forth in this employee guide or elsewhere are not all-inclusive and are not intended to restrict the Company's right to terminate at-will.

EQUAL OPPORUNITY

Equal Employment Opportunity has been, and will continue to be, a fundamental principle at FAIRCAST, INC., where employment is based upon personal capabilities and qualifications without discrimination based on race, color, religion, sex, age, national origin, disability, or any other protected characteristic as established by law.

HEALTH, SAFETY AND ENVIRONMENTAL

FAIRCAST, INC., is committed to worldwide recognition as a safe and environmentally responsible company that protects employees and conserves our resources while continually striving for improvements in performance. This commitment extends beyond compliance with the laws and regulations of the countries where we do business. Sound safety and environmental leadership must be an essential and integral part of our business culture and our decisionmaking process. It is the responsibility of every manager and employee of the Company to ensure this commitment is reflected in our practices and our products.

We have established the following common Health, Safety and Environmental principles to guide our operations and ensure that every employee understands and accepts responsibility for incorporating good safety and environmental practices into their daily business activities. To achieve our commitment, it is FAIRCAST's policy to:

Have a business culture that values safety, cleanliness and responsibility. Using standardized systems as a starting point we include safety and environmental considerations as a priority in our planning and operating decisions.

The Company incorporates safety and environmental considerations as a priority in planning and operation decisions to protect our employees, environment and

property. We maintain compliance with the spirit as well as the letter of the laws we operate under and continuously assess our operations to ensure that compliance is met. We work to eliminate injuries and waste and conserve material resources throughout our operations, and continually look for opportunities to improve our operations and products.

Manufacture high quality, safe and environmentally sound products that are valued by our customers. Maintain the operating policies, programs and resources needed to meet our commitment.

The Safety Work Attire in conjunction with the proper personal protective equipment (PPE) for the assigned job task will help guard against the physical and chemical hazards in our work place. Your cooperation is expected, and failure to follow safety rules or to wear required protective equipment could result in termination of employment.

These procedures shall be followed at all times:

1. Employee's legs, feet, and torso shall be properly covered at all times.

2. The wearing of open toe/heel shoes, flip-flops and similar footwear is prohibited.

3. Loose fitting clothing shall not be worn around moving machinery.

4. Scarves, neckties, or jewelry near moving machinery is prohibited.

5. Hair longer than the top of the shoulder must be kept or confined under a cap while working near moving machinery.

6. Beards are prohibited for employees who are issued respirators as part of their job function. Beards may not extend below the level of the collarbone or must be confined while working near moving machinery.

Employees must wear safety glasses with side shields in designated areas and ear plugs in areas designated to exceed the decibel noise limits adhered to by IOSHA.
Cut-off shirts of any kind are prohibited.

9. There are certain rules that must be followed at all times in order to protect the lives and well-being of ourselves and our fellow employees. The standards also ensure that our product is built on time and in a quality manner. These standards are known as cardinal safety rules and must be followed at all times, without exception, or the employee will be subject to termination.

CARDINAL RULES OF SAFETY

Employees shall use Lockout/Tagout/Testout Procedures when working with or around energized sources.

Employees will adhere to confined space entry procedures when working in a "designated" confined space, and do not enter without permission from management.

Employees will use Fall Protection measures when working at any time in an area above ground level where there are not protective railings or other devices which would prevent you from falling. Employees will never disable any Safety Protection Device/or bypass a safety/limit switch.

Employees will never drive into a truck or trailer without the wheels being chocked.

ACCIDENTS ON THE JOB

If an employee is injured on the job, the injury, regardless of how minimal it may seem at the time, must be reported to your Supervisor. If you fail to report an injury prior to leaving work on the day that the injury allegedly occurred and then later wish to file for Worker's Compensation for the injury, the claim may be denied. Thus, you will have to process the claim through the appeals procedure at Worker's Compensation.

Basic first aid will be provided and additional medical aid will be provided when necessary. Your Supervisor is required to complete an Injury First Report, which will be sent to the Human Resources Manager.

The Iowa Department of Labor, Worker's Compensation Commission governs the rules and regulations regarding the weekly compensation benefits and medical care for workers injured on the job. Any questions regarding the law or your benefits can be answered by the Human Resources Manager.

HOUSEKEEPING

Customers and potential customers who visit our offices judge us by the general appearance of our workplace. Good housekeeping is a clear measure of the pride we take in our surroundings and in our workplace. Customers take this as an indication of the care we give to their work. It is the responsibility of each employee to clean up the work area and keep their area clean.

Good housekeeping means better and more pleasant working conditions, helps reduce accidents, improves health conditions, contributes to fire prevention, and adds to the efficiency of our operations.

You are expected to cooperate by doing your full share towards helping us maintain a clean and orderly office and plant.

POLICIES AND PROCEDURES

CODE OF BUSINESS

The Code of Business reaffirms what each FAIRCAST, INC., employee stands for: Doing the right thing, everyday; No Excuses. FAIRCAST, INC., operates its business with the highest ethical standards and relevant laws. The Company demands the highest integrity of each of its employees and representatives. In addition, all employees, agents, consultants, independent contractors, representatives, and suppliers of FAIRCAST, INC., are responsible for complying with all applicable laws, regulations and our Code of Business Conduct. FAIRCAST's culture demands not only legal compliance, but also responsible and ethical behavior.

COMPLAINT RESOLUTION PROCEDURE

FAIRCAST, INC., provides an effective way for employees to bring problems concerning their well-being at work to the attention of the Company. A procedure has been established for the benefit and use of the employees. Misunderstandings or conflicts can arise in any organization and should be resolved before serious problems develop. Most incidents resolve themselves naturally, however, should a situation persist that an employee believes is detrimental to him/her or the company, he/she should follow the procedure described here for bringing the complaint to management's attention.

When an employee believes a work condition or treatment is unjust, inequitable, a hindrance to effective operation, or creates a problem, he/she is encouraged to discuss the condition or treatment with Management.

If the problem is not resolved after discussion with the Supervisor, the employee is then encouraged to request a meeting with the Department Manager. If resolution of the matter has not been resolved after meeting with the Department Manager then the employee may request a meeting with the Plant Manager. If the resolution is still not resolved, then the employee can let the Human Resources Manager know and they will then investigate the matter and make a final determination within a reasonable time period.

COMMUNICATIONS AND POSTINGS MEDIA POLICY

All information related to FAIRCAST, INC., which is released for public dissemination, will normally be released to the news media or social network media through senior management after review by the appropriate person.

No employee of FAIRCAST, INC., is authorized to make any statement or comments in anyway or to give any information related to the Company or any of its activities to the news media/social media without prior clearance as specified above. This does include videos, text messages etc...

All inquiries from the news media or social network media must be referred, without comment, directly to senior management. The Plant Manager or the Manager in charge may be authorized to give certain facts to the news media in any emergency (i.e., major accident or failure), or to respond to routine inquires. The media includes newspaper, magazine, and other publishers, radio and TV stations, and any other

type of media agency including social media which disseminates information to the public about the Company in any way or any current Employees of the Company.

Any employee who desires to disseminate Company information to various civic organizations or other groups through speeches, presentations, visual aids, or other methods must obtain prior consent.

The Company prohibits the use of equipment, computers, internet access, cell phone usage and e-mail in ways that are discriminatory, offensive, obscene, threatening, harassing, intimidating or disruptive to any employee or other person, or that are harmful to morale. The Company also prohibits the use of equipment, computers, internet access, and e-mail for personal gain, for advancement of individual views, or to solicit others for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

Individual/individuals who are found to have engaged in this will be subject to discipline, up to and/or including termination of employment.

CONFIDENTIAL COMPANY INFORMATION

Much of the information that pertains to the business of FAIRCAST, INC., is confidential. Our business is highly competitive and release of any such information could be damaging to our Company and our customers. It is the policy of the Company to maintain and protect the confidentiality of its proprietary information and trade secrets, to disclose such information only in connection with a legitimate business purpose, and to protect and preserve its rights in the event of any authorized use or disclosure of such proprietary information or trade secret. Additionally, it is important not to disclose or divulge any personal information about any present or former employee to any unauthorized personnel, including each other.

Violation of the confidentiality policy is strictly prohibited and will result in discipline, up to dismissal from FAIRCAST, INC. Disclosure of Confidential Company Information after separation of employment may result in legal ramifications. Employee has an affirmative obligation to respect the confidentiality of information that is not relevant to employee's position and that employee is not privileged to.

PERSONNEL RECORDS AND PRIVACY

Request for information from employee files received from outside FAIRCAST, INC., including requests for references of former employees, will be directed to Human Resources. Employees may not provide personal or employment references for former employees or current employees. Such disclosure may result in disciplinary action up to and including termination. Supervisors and co-workers may complete a reference form or letter to be placed in the file of a former employee to be used for reference purposes. If any request for reference or verification is received by the Human Resource Manager, a signed release by the employee will be required in order to release this information.

As an employee, you may inspect your personnel file at a reasonable time, during office hours and with the approval of the Human Resources Manager. Please schedule an appointment with the Human Resources Manager if you would like to review your file. NO ONE will be given any personal information out of an employee's file without the written consent from the employee first, once an employee has given written permission, the information will then be given to the employee or agency requesting the information. Employment references and notes of legal investigation or disciplinary investigations in progress, if any, will first be removed. Originals of personnel records will be maintained in personnel storage files for a period of five years beyond an employee's separation date.

It is important that you notify the Human Resources department of any changes in your name, address, telephone number, emergency contact, family status, number of dependents, etc. so that your records are always up-to-date.

CONFLICT OF INTEREST (GIFTS)

Conflicts of interest mean divided loyalties. When your loyalty is divided you can't make the best choices for the company. In your daily conversations, dealings or communications with current or potential customers, suppliers, contractors, competitors, or employees, you have a duty to act in the best interest of the company. No officer or employee of the Company, nor any member of their household, may have any interest whatever, whether beneficial or direct, in any supplier of goods or services to, or in any customer or competitor of, the Company. No employee shall engage in any business whatsoever with any relative who is an officer or representative of a supplier, customer or competitor.

Employees should be cautious about accepting anything of value from anyone, including a current, or prospective supplier, vendor or competitor of the Company ("third parties"), when doing so might compromise- or appear to compromise - the objectivity of business decisions. No employee may accept a cash gift of any amount. Receiving, from any third party, non-cash gifts which are valued at U.S. \$50 or more is also prohibited unless the gift is for business-related entertainment (for example, gift certificates or event tickets) valued at less than U.S. \$100 or is of the nature of holiday gift baskets, or flowers, within reason, as long as they are shared with your department or facility. Certain third party paid training or conferences may be appropriate, but only with prior approval of your department Supervisor or your facility Plant Manager.

FAIRCAST, INC., strictly prohibits bribes, kickbacks or any other form of improper payment, direct or indirect, to any representative of government, labor union, customer or supplier in order to obtain business, some other commercial benefit or government action.

We will not offer our existing or potential commercial customers gifts or favors of more than nominal value (approximately \$100 or less). Reasonable business entertainment is permitted, including traditional promotional events, as long as what is

offered is consistent with usual business practice, cannot be construed as a bribe or a payoff, is not in violation of any law and would not embarrass the Company or ourselves if disclosed publicly.

Where a customer or potential customer notifies FAIRCAST, INC., of a policy or preference in which it prohibits or limits gifts to the customer's employees, FAIRCAST, INC., will respect such policy or preference.

DRUG AND ALCOHOL FREE WORKPLACE

Employees are expected and required to report to work on time and in appropriate mental and physical condition for work. It is our intent and obligation to provide a drug/alcohol free, healthful, safe and secure work environment. The unlawful manufacture, distribution, dispensation, possession or working under the influence of any alcohol, controlled substance, intoxicant or narcotic on company premises or while conducting company business off company premises is absolutely prohibited and will result in immediate termination. The unlawful use of any controlled substance either on or off company premises is prohibited and will result in immediate termination.

The company recognizes drug/alcohol abuse as a potential health, safety and security problem. Conscientious efforts to seek such help will not jeopardize any employee's job. Employees who do not seek help and are found to be abusing drugs or alcohol will be subject to disciplinary action up to and including termination. Employees must, as a condition of employment, abide by the terms of this policy and report any conviction under a criminal drug statute for violations occurring on or off company premises while conducting company business. A report of a conviction must be made within five (5) days after the conviction (This requirement is mandated by the Drug Free Workplace Act of 1988). The use of any controlled substance for which an employee does not have a current prescription is considered substance abuse. Testing positive for a controlled substance without a current prescription is considered a violation of the Drug Free Workplace Policy.

Faircast Inc. reserves the right to drug test employees: pre-employment, post-accident and at any random time. If an employee refuses to take the test when selected it will result in immediate termination.

ELECTRONIC PRIVACY

Network and Internet access is provided as a tool for our organization's business. FAIRCAST, INC., reserves the right to monitor, inspect, copy, review, and store at any time, without prior notice, any and all usage of the Network and the Internet, as well as any and all materials, files, information, software, communications, and other content transmitted, received or stored in connection with this usage. All such information, content, and files are the property of FAIRCAST, INC. Employees should have no expectation of privacy regarding them. The Company utilizes established methods in seeking to protect any personal information that a User may provide to the Company when visiting or using the Site.

The Company prohibits the use of equipment, computers, Internet access, and email in ways that are discriminatory, offensive, obscene, threatening, harassing, intimidating or disruptive to any employee or other person, or that are harmful to morale. The Company also prohibits the use of equipment, computers, Internet access, and e-mail for personal gain, for advancement of individual views, or to solicit others for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

EMPLOYEE CONDUCT

All employees are expected to meet FAIRCAST, INC., standards of work performance and personal conduct. Work performance encompasses many factors, including attendance, punctuality, personal conduct, job proficiency and general compliance with the Company's policies and procedures. Any employee whose conduct, actions or performance violates or conflicts with FAIRCAST, INC., policies and procedures may be terminated immediately and without warning.

Inappropriate employee conduct, which includes but not limited to: foul language, aggressive behavior will be subject to corrective action. The Company reserves the right to take disciplinary action up to and including discharge for any violation however, the intent of corrective action is to formally document problems while providing the employee with a reasonable time within which to improve performance. The process is designed to encourage development by providing employees with guidance in areas that need improvement such as poor work performance, attendance problems, personal conduct, general compliance with the Company's policies and procedures and or other disciplinary problems. If an employee does not meet these standards, the Company may take corrective actions, up to and including termination. Minor infractions typically, but not always, will be subject to progressive corrective action, but depending upon the severity, even what would normally be a "minor" infraction which will generally be subject to immediate termination.

CELL PHONE POLICY

The purpose of this policy is to clarify use of cell phones in the workplace. Cell phones cause a distraction in the workplace. Except for authorized cell phone users, employees may only use their cell phones in authorized areas on break or lunch time. At any other time the cell phones are not to be used in the work area.

Example: At break and/or lunch after clocking out and using your cell phone while walking to the break area or break rooms through the Foundry is not acceptable. Use of a cell phone includes but is not limited to phone calls, texting, gaming, or internet usage.

In short, if you have a cell phone in your hand during non-break times, it will be assumed you are using it and are in violation of this policy.

We understand that an occasional emergency may arise and you may need to be reached during work hours. If an emergency should occur and you need to be contacted during work hours, calls should be made to the General Office at 641-209-4100. A message will be taken and you will be contacted and permitted to return the call. Do not abuse this privilege.

Employees, who violate this policy by using a cell phone or receiving frequent personal calls, will be subject to disciplinary action, up to and including termination of employment.

Faircast Inc. has a three strike rule policy in place. A first offense will result in a formal documented write-up signed by the employee, HR Manager and supervisor. A second offense will result in another formal documented write-up along with a day's suspension without pay. A third and final offense will be immediate termination. An employee can receive a write-up from any of the following: Leadmen, Supervisors, Management, etc.

FAMILY AND MEDICAL LEAVE ACT (FMLA)

FMLA requires covered employers to provide up to 12 weeks of unpaid, jobprotected leave to "eligible" employees who have worked at least one year, for 1,250 hours over the previous 12 months. The Company reserves the right to require employees to use company provided paid time off concurrently with FMLA time.

Unpaid leave must be granted for *any* of the following reasons:

For incapacity due to pregnancy, prenatal medical care or child birth;

To care for the employee's child after birth, or placement for adoption or foster care;

To care for the employee's spouse, son or daughter, or parent, with a serious health condition;

For a serious health condition that makes the employee unable to perform the employee's job.

Serious health condition is an illness, injury, impairment, or physical or mental condition, which involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job or prevents the qualified family member from participating in school or other daily activities.

Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three consecutive calendar days combined with at least two visits to a health care provider or one visit and a regiment of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

During FMLA leave, the company must maintain the employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

The employee must make applicable employee contributions or make arrangements to prepay or post pay through payroll deductions premiums for medical, dental or vision insurance.

An Employee must first use all accrued benefit time prior to an unpaid leave of absence. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. An employee who returns to work for at least 30 calendar days is considered to have "returned to work". If an employee does not return to work at the end of the designated leave, the employee's continued employment will be evaluated.

An employee who is off work because of his own serious health condition must provide a fitness for duty certificate verifying that he/she is able to perform the essential functions of his/her job. Failure to provide that certificate will 'result in the delay of the restoration of the employee's job and may result in the denial of the restoration of that employee's job.

HARASSMENT/BULLYING POLICY

It is the policy of FAIRCAST, INC., to maintain a working environment free of harassment. FAIRCAST, INC. prohibits any harassment/bullying or inappropriate conduct based on an employee's race, sex, age, religion, national origin, disability, or any other category protected under federal, state, or local law. This type of behavior will not be TOLERATED.

FAIRCAST, INC. is committed to protecting employees from harassment/bullying and inappropriate conduct whether from other employees or non-employees such as vendors, clients, customers, or contractors. Harassment/bullying and inappropriate conduct may include, but is not limited to:

Epithets, slurs, stereotyping, threatening, intimidating, or hostile acts that relate to race, sex, age, religion, national origin, or disability. Written or graphic material that denigrates or shows hostility, or aversion towards an individual or group because of race, sex, age, religion, national origin, or disability.

SEXUAL HARASSMENT POLICY

It is the policy of FAIRCAST, INC., to maintain a working environment free of sexual harassment. It should be clearly understood that sexual harassment, whether explicit or implicit, verbal, or physical, <u>WILL NOT BE TOLERATED</u>. Prohibited sexual harassment includes unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct or gestures of a sexual nature when:

Submission to such conduct is either a term or condition of an individual's employment. Submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting the individual, or such conduct substantially interferes with the work performance of an individual or creates an intimidating, hostile or offensive working environment.

Managers and Supervisors are expected to follow company policy. If sexual harassment, harassment/bullying are found, it will be dealt with the same as other forms of discrimination, which will be discipline up to and/or including termination of employment.

Complaints of sexual harassment, harassment/bullying should be immediately communicated, in writing, to your Human Resources Manager. Human Resources Manager will investigate any charges of sexual harassment, harassment/bullying immediately. This will include the nature of the harassment/bullying and/or the conduct in which the alleged incidents occurred. If it is determined that sexual harassment, harassment/bullying has occurred, FAIRCAST, INC., will take immediate and effective corrective action.

Retaliation of any nature against any individual raising a complaint under this policy is prohibited, and an individual who is found to have engaged in retaliation will be subject to discipline, up to and/or including termination of employment.

SMOKING POLICY

FAIRCAST, INC., is a smoke-free environment. No smoking is permitted inside any building. Smoking is permitted only in designated areas outside each facility.

If you desire to use smokeless tobacco, please be considerate of your fellow employees. Do not spit on the floor or in the waste baskets when using any smokeless tobacco products.

Employees who are caught smoking in prohibited areas or caught spitting on the floor or in the waste baskets will be subject to disciplinary action.

SOLICITATION

While our work place may provide an attractive forum for other activities, our primary responsibility is the performance of FAIRCAST, INC. functions. Activities other than the performance of these duties may be considered intrusions by other employees and by visitors.

With the exception of FAIRCAST, INC. sponsored campaigns, or other periodic company sponsored activities; any solicitations, and/or distribution by employees of printed matter, or solicitations in any manner including e-mail for funds, products, services, memberships, or for any other reason is not permitted during the work

time of all the employees involved. The distribution of any literature or other written material within work or customer areas is prohibited. Non-employees are prohibited from soliciting or distributing literature on FAIRCAST, INC., premises.

WEAPONS POLICY

It is the policy of FAIRCAST, INC., to ban and prohibit all weapons from any and all company owned or leased property and company sponsored functions or events. No employee will be allowed to retain any type of firearm or other type of weapon on Company property. All employees are prohibited from carrying concealed weapons on their person or in personal effects including (without limitation) purses, briefcases, lockers, desks, offices and motor vehicles located on company property and/or a work site where company employees are performing their duties. A permit to own or legally carry a concealed firearm will not override this Policy.

For the purpose of this policy, weapons shall be defined as any offensive or defensive combat instrument. Prohibited instruments shall include, but not be limited to: All firearms, handguns, pistols, rifles, shotguns including air-pistols or air rifles; any switchblade knife or other knife with a blade longer than four inches in length, unless such knife is used as a regular tool in the performance of officially assigned duties; explosive materials or devices, chemical or toxic agents, or any other instruments or devices which could be used as a tool of violence.

WORKPLACE VIOLENCE

It is the policy of FAIRCAST, INC., to provide a workplace that is safe, secure and free of prejudice, harassment, threats, intimidation, and violence."Workplace Violence", for the purposes of this policy, is defined to include both threats and acts of violence.Threats are defined to include but not be limited to verbal, written or gesture expressions intended to inflict pain, injury, damage or punishment on a person, place or object associated with the Company.

Physical, verbal, or implied threats, threatening behavior, acts of aggression or violence against employees, visitors, guests, or other individuals by anyone on FAIRCAST, INC. property will not be tolerated. Violations of this policy will lead to disciplinary action, which may include termination, arrest and prosecution.

All FAIRCAST, INC. personnel are responsible for notifying the designated management representative of any threats, threatening behavior, or acts of violence that they witness. All individuals who apply for or obtain a protective or restraining order which lists company locations as being protected areas must provide to the designated management representative a copy of the petition and declarations used to seek the order, a copy of any temporary protective or restraining order which is granted, and a copy of any protective or restraining order which is made permanent. FAIRCAST, INC. understands the sensitivity of the information requested and will maintain the appropriate level of confidentiality.

This policy applies to all applicants, current employees and temporary personnel as well as consultants, contractors, vendors and visitors on company premises. Each such individual is responsible for abiding by this policy.

Violations of these and any other FAIRCAST, INC. policy may result in disciplinary action up to and including termination. Management has the right to change policies as needed with or without prior notice. More detailed information regarding policies and procedures can be located in Human Resources.

BENEFITS

The Company benefits outlined in this handbook are intended to provide value added to your paycheck. Each benefit, even those where you pay a portion of the cost, is provided to you by the Company in order to make our Company a better and a fair place for you to work. Full time employees are eligible for full benefits. Part-time/temporary employees are not eligible to participate in company benefits.

MEDICAL HEALTH INSURANCE

The Company offers medical insurance with monthly rates based on the level of coverage. Refer to the Guide to Benefit Costs for rates and summary of coverage which is provided to you from the HR manager. The employee contribution is post-tax. Medical insurance is effective the first of the month following 30 days of service.

Dental Insurance

The Company offers dental insurance with monthly rates based on the level of coverage. Refer to the Guide to Benefit Costs for rates and summary of coverage which is provided to you from the HR manager. The employee contribution is post-tax. Dental insurance is effective the first of the month following 30 days of service.

Vision Insurance

The Company offers vision insurance with monthly rates based on the level of coverage. Refer to the Guide to Benefit Costs for rates and summary of coverage which is provided to you from the HR manager. The employee contribution is post-tax. Vision insurance is effective the first of the month following 30 days of service.

Life Insurance

The Company offers life insurance with monthly rates based on the level of coverage. Refer to the Guide to Benefit Costs for rates and summary of coverage which is provided to you from the HR manager. The employee contribution is post-tax. Life insurance is effective the first of the month following 30 days of service.

BENEFIT CONTINUATION (COBRA)

In the event of layoff, leave of absence or termination, unless otherwise specified by law or in this handbook, benefits shall cease on the final day of the month in which the layoff, leave or termination occurred.

401K Investment Plan

Faircast Inc. will give the opportunity to its employees by investing in the company 401k discretionary plan, adding a 3% match to employee contribution. An employee must work at least six months and then will be able to join the plan at the next quarterly enrollment date. Refer to the Guide to Benefit Costs for rates and summary of coverage which is provided to you from the HR manager.

The company reserves the right to establish the plan carrier and benefits as may be modified from time to time. The employee contribution may be modified by the company from time to time based upon increases in premium costs and as laws change, economic conditions change, and the business conditions of our company change. Therefore the Company reserves the right to add, subtract, or alter any of the benefits referred to in this handbook at any time and without prior notice.

HOURLY EMPLOYEE-VACATION

Faircast's vacation policy permits annual vacation as follows:

- 1. The eligibility date for accruals for an employee is their date of hire.
- 2. The employee must complete the 90 day probationary period before any vacation will be paid out.
- 3. Employees may accrue a maximum of 160 hours and will be paid out for earned hours over 160 hours.
- 4. Vacations may be taken in 4 or 8 hour increments.
- 5. If a holiday falls within a scheduled vacation period, the day is not considered a vacation day.
- 6. Bereavement pay that falls within a scheduled vacation period is not considered a vacation day.
- 7. Priority shall be given to the employee who first submits a written vacation request in the event of conflicting vacation plans within a department. If an employee requests a vacation day on Friday, they will not be scheduled to work on Saturday.
- 8. Associates on a family/medical leave of absence (F.M.L.A) or any other leave of absence are required to use all accrued vacation time as part of the leave. In addition,

employees on unpaid leave of absence will not accrue any new vacation time during the time of leave.

- 9. Upon termination of employment, an employee shall receive vacation pay for any accrued days on record as of the last week's accrual. Accrued vacation time does not extend the effective date of termination.
- 10. Any employee who feels that there is a discrepancy in the calculation of his or her vacation pay or eligibility may contact Payroll for a review of that calculation.
- 11. Scheduled shut downs for each plant will be announced six months prior to the date. In order to assure an adequate vacation balance for those shut downs, employees should manage their vacation accounts carefully. Lack of an accrual balance to cover shut down days will result in unpaid time off or requirement to work, if work is available.
- 12. Vacation and holidays will be calculated in when paying overtime.
- 13. Vacation is earned bi-weekly when you receive a paycheck. There is no accrual earned if you do not receive a paycheck.
- 14. Employees are not allowed to go negative on vacation.
- 15. Employees must go to their direct supervisor to request vacation. After it is approved by their supervisor it will then go to the HR manager's office. If an employee requests vacation from someone other than their supervisor it will not be granted. **No exceptions.**
- 16. Vacation Accrual:

Day 1 thru the last day of year 5 paycheck	80 hours per year	3.077 hours per
Day 1 Year 6 thru last day year 6 paycheck	88 hours per year	3.385 hours per
Day 1 Year 7 thru last day year 7 paycheck	96 hours per year	3.692 hours per
Day 1 year 8 thru last day year 8 paycheck	104 hours per year	4.000 hours per
Day 1 year 9 thru last day year 9 paycheck	112 hours per year	4.307 hours per
Day 1 year 10 thru last day year 10 paycheck	120 hours per year	4.615 hours per
Day 1 year 11 thru last day year 11 paycheck	128 hours per year	4.923 hours per
Day 1 year 12 thru last day year 12 paycheck	136 hours per year	5.230 hours per

Day 1 year 13 thru last day year 13 paycheck	144 hours per year	5.538 hours per
Day 1 year 14 thru last day year 14 paycheck	152 hours per year	5.846 hours per
Day 1 of year 15 forward paycheck	160 hours per year	6.154 hours per

There is a 90 day probationary period for all employees; any time taken during the first 90 days will be unpaid.

The vacation that is accruing during this period will be listed on your paycheck but will not be available for use until the 90 day probationary period is completed. If your employment is terminated during the probationary period, you will not be paid out any vacation as it is not considered earned until the probationary period has ended.

Vacations must be requested at least one week in advance for 5 days or less and one month in advance for over 5 days where reasonably possible. One vacation day may be used as a personal day upon approval of your supervisor and requested 48 hours in advance.

HOLIDAYS

New Year's Day	Thanksgiving Day
Good Friday	Day after Thanksgiving
Memorial Day	Christmas Eve Day
Fourth of July	Christmas Day
Labor Day	New Year's Eve Day

All Hourly full-time, non-probationary employees will be paid for eight hours of straight time on the above Holidays-provided that they work or take scheduled vacation days on the day before and after the holiday, unless specifically approved in advance and in writing by a supervisor.

BEREAVEMENT LEAVE

In the unfortunate event a death occurs in an employee's immediate family, the Company will provide paid time off in order for the employee to attend the funeral of their loved one. A maximum of three (3) days for bereavement leave will be paid. An employee, who has completed their probationary period, shall be entitled to receive not more than three (3) days off at his/her regular straight time pay rate for 8 hours per day. The following list of family members is covered by this:

Father, Mother, Child, Spouse, Grandparents (including spouse's), Grandchild, Brother, Sister (including step), Niece, Nephew, Brother-in-law, Sister-in-law, Mother-in-law, Father-in-law.

In-law and step relationships are terminated by divorce. In-law relationships are also terminated upon the death of the connecting relative and the re-marriage of the survivor.

One day of paid leave will be granted for Aunts, Uncles and First Cousins.

Paid Bereavement days must fall within the regular workweek, Monday through Friday, and are not otherwise compensated for by holiday pay or vacation pay. The days eligible under this policy must be consecutive and fall between the day of the death and the day after the funeral.

An additional two (2) days of unpaid leave will be granted if the funeral is over 350 miles away.

You are required to furnish documentation to the Human Resource department indicating your attendance at the service and relationship to the deceased in order to be eligible for this benefit.

JURY DUTY/CIVIC DUTY

In the event an employee is called for jury service, he/she shall be excused from work for each such day on which he/she serves or reports, and shall be paid for the time necessarily lost from his regular shift, provided he/she notifies the Company of the intended absence. The pay shall be the difference between each day's jury fee and the pay for hours of work lost at his/her base rate, not to exceed five days.

A first shift employee excused from jury service before noon will report for the balance of his shift. A second shift employee excused from jury service before noon will report for work at the beginning of his shift. A third shift employee excused from jury service will report for work at the beginning of his next scheduled shift. He/she is not expected to work his shift on the day he/she reports to serve.

Employees will present proof of jury service and amount of pay received for such services to the Human Resources Office. The court will furnish a statement to the employee at his request at the time of dismissal.

When an employee is subpoenaed into Court as a witness in a private litigations suit, no payment for lost wages will be made by the Company.

When an employee is called upon to perform a civic duty such as emergency service, National Guard, Auxiliary Police or volunteer fireman, the time will not be paid. However, the hours lost will be counted as time worked for the computation of weekly overtime. In addition, prior to leaving the plant the employee must notify their Supervisor that they are leaving for emergency duty. If an employee spends excessive time responding to civic or emergency services, management will address this on an individual basis.

MILITARY LEAVE

The Company will comply with all rights as established by the Veteran's Reemployment

<u>PAY</u>

Paydays are bi-weekly, every other Friday. Employees are paid via direct deposit and must supply the company with the proper bank routing and account numbers.

Paychecks will not be released to anyone in the event you are not able to pick up your check your self, unless authorized permission is given in writing and given to the Human Resource Manager authorizing the release.

Overtime-Salary Non-Exempt and Hourly Employees

Overtime will be assigned as needed and will be expected to be worked as needed. We will attempt to find volunteers for overtime based upon the employee working the job to be worked on overtime first but reserves the right to require overtime to be worked. Overtime will be paid after 40 hours worked in the week. Overtime compensation is paid to all employees in accordance with federal and state wage and hour restrictions. Overtime pay is based on actual hours worked. Time off on sick leave or any leave of absence will not be considered hours worked for purposes of performing overtime calculations. Paid vacation and paid holidays will be considered in overtime pay. The Company will notify employees of daily overtime half way through their shift and of weekend overtime half way through the shift on Thursday, unless unable to do so due to an emergency.

If the Employee has worked three (3) or more consecutive weekends (Saturday or Sunday, voluntary or involuntary), they may be provided relief from the next consecutive weekend upon request. To accommodate such a request the employee must notify the Company in writing at least forty-eight (48) hours in advance of the scheduled overtime. Based upon customer schedules and requirements the Company will make its best effort to accommodate the request. If an employee is granted being exempt from the mandatory overtime under this section by the Company, the least senior person in that classification who is not so exempt shall be required to work the overtime provided they can meet the minimum requirements of the job.

Overtime Pay Guidelines

Overtime will be paid at the rate of one and one-half (1-1/2) times your regular pay for any time worked in excess of forty (40) hours in any week.

Double time will be paid to Employees for working a Sunday shift if all prior scheduled work days during the previous 6 days have been worked. If you work additional Sunday overtime prior to, or immediately after your shift (in early/stay over) these hours will be included as Sunday hours regardless of the actual day they occur. Likewise, Saturday

shift overtime hours that extend into Sunday and Monday overtime hours that begin on Sunday, will not be subject to Double Time pay. Exceptions will be made if more than ½ of the normal Sunday shift is worked.

Holiday premium, for work performed on a designated holiday, will be paid at the rate of 8 regular pay hours, plus 8 regular holiday hours; equaling double time pay for the entire shift.

An employee will only be granted holiday pay if they work the day before and the day after the designated holiday. If an employee takes paid vacation that will be considered worked as well. If you miss because of illness, doctors appointment, etc. you will not receive holiday pay.

If an employee that has not completed their 90 day probationary period works on the specified holidays, they will receive holiday pay for the actual holiday and straight time for any other day included in the time off.

If you are excused from work during the week for documented mandatory Civic Duty such as Jury Duty, emergency service, national guard, auxiliary police, or volunteer fireman; or, for approved paid hours for vacation, bereavement or holidays and subsequently are required to work on the corresponding weekend, the hours lost will be counted as hours worked in calculating weekend overtime pay. You must request this pay in writing with supporting documentation detailing the type of Civic Duty and the days/hours you were required to serve. Court appearances other than mandatory Jury Duty (ex. Subpoena for civil matters) are not considered as Civic Duty and will not be considered.

INCLEMENT WEATHER/SEVERE WEATHER/EMERGENCIES

During Inclement Weather, every employee must review their own situation and safety. With that said, employees are expected to make every effort to report to work during inclement weather conditions, unless FAIRCAST, INC., declares an Emergency closing or the state issues road closures notices. Employees who are not able to safely or physically come to work due to their particular situation during the adverse weather conditions must call and notify their Supervisor of the situation by calling the employee call in line. If the particular situation warrants it, the employee will be given the option of using a vacation day (if they have time available) or taking the absence without pay.

When the General Manager, or his delegate has officially declared an emergency closing, Employees who are at work will receive their regular pay for the hours they would have normally worked. Employees, who are not at work when an emergency closing has been officially declared, will not receive pay or credit for the hours the company is closed.

Attendance Policy

Each employee will be able to accrue up to 15 points within a 365-day period. Once an individual receives a point, it will fall off once a full year has passed. Any individual that goes over 15 points will be TERMINATED.

If an employee is late or leaves early, within a two-hour time frame, the employee will only receive half of a point. If the employee is late or leaves over a two-hour time frame, the employee will receive a full point. Employees must communicate with their supervisors if they will be late for work or if they need to leave early for future appointments.

Three consecutive no-call, no-shows will be deemed job abandonment and employee will be considered as "resigned" from their employment with Faircast, Inc.

If an employee is going to be absent, they need to call the call-in hotline at 641-209-4120. This needs to be done at least one hour prior to the beginning of your shift. If this does not happen, you will be considered a no-call, no-show. No-call, no-shows will receive two points.

5 points- Verbal warning 10 points- Written discipline 15 points- Final discipline 16 points- Termination

If an employee misses a time clock punch in or out, they need to let Human Resources know as soon as possible. If Human Resources is not notified by the end of your assigned shift (for missed in punches) or before your next shift (for missed out punches), you will be given one half of an attendance point. If the missed time clock punch happens during weekend hours, notifying your direct supervisor will suffice or you may leave a message on the absence call-in number, (641) 209-4120. If Human Resources is unavailable during normal business hours, Accounting will be able to assist you with your time clock correction needs.

FAIRCAST, INC., reserves the right to add, modify, supplement, rescind, or revise any provision of this Handbook, or the policies, practices, benefits, and procedures on which they are based, from time to time, without advance notice, as it deems necessary or appropriate at its discretion. The benefits described herein are provided at the sole discretion of FAIRCAST, INC., and this Handbook is not and should not be interpreted to be an assurance, promise, or guarantee of an obligation to continue to provide such benefits. FAIRCAST, INC. reserves the right to deviate from the policies and guidelines set forth herein if appropriate under the circumstances.

EMPLOYEE COPY

Acknowledgment of Receipt

The Company reserves the right to interpret, amend, modify, cancel or discontinue at any time any provisions of the described policies and procedures. When changes occur, you will be notified. Also, language used in this guide is not intended to create nor is it to be construed as a contract.

I understand my employment with the Company is at-will. This means that I am free to resign at any time either with or without a reason. Moreover, the Company has the very same right as me and can terminate my employment at any time with or without cause or reason and with or without advance notice.

I certify that I have received a copy of the Employee Handbook and that I have read and understand the policies and procedures contained therein.

Print Name

Employee Signature

Date

COMPANY COPY

Acknowledgment of Receipt

The Company reserves the right to interpret, amend, modify, cancel or discontinue at any time any provisions of the described policies and procedures. When changes occur, you will be notified. Also, language used in this guide is not intended to create nor is it to be construed as a contract.

I understand my employment with the Company is at-will. This means that I am free to resign at any time either with or without a reason. Moreover, the Company has the very same right as me and can terminate my employment at any time with or without cause or reason and with or without advance notice.

I certify that I have received a copy of the Employee Handbook and that I have read and understand the policies and procedures contained therein.

Print Name

Employee Signature

Date

Confidentiality Statement

As an employee of FAIRCAST, INC. you may be trusted with confidential information regarding customer credit, payroll, personnel and other matters. You are expected to abstain from disclosing confidential information to anyone other than those who need to be trusted with the same information to perform their job.

I understand that violation of the confidentiality policy is strictly prohibited and will result in my dismissal from the company. Disclosure of Confidential Company information after separation of employment may result in legal ramifications. I understand that I have an affirmative obligation to respect the confidentiality of information that is not relevant to my position and that I am privilege to.

Printed Name

Employee Signature

Date

Please return this page signed to Human Resources