

Introduction

Welcome to Aircraft Structures International Corporation (ASIC). We are pleased you have become a member of our team. You were hired because we realized you have skills and/or abilities that will help us meet and possibly exceed our business goals within our industry.

The ASIC EMPLOYEE HANDBOOK has been written for you. Our Handbook explains the policies, business procedures and employee benefits offered by ASIC. This Handbook will give you the information you need to become a member of ASIC. Please read through the Handbook when you first receive it. Our management team maintains an “open door policy”. If you have any questions concerning our policies, please do not hesitate to refer your questions or concerns to a manager or Human Resources.

ASIC is a growing company. From time to time we may find it necessary to modify or change policies, business practices or available employee benefits along the way. We will keep you informed as changes happen.

Again, we welcome you to our team.

Sincerely,

Mickey A. Stowers
President / ASIC

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Section 1- Welcome

1.1 Mission, Goals & Values

The mission of Aircraft Structures International Corporation (ASIC) is to offer quality products and services to our aviation customers by meeting their requirements. Our goal is to produce a product delivered to the customer with zero defects along with dutiful regards to our employees' welfare. We accomplish these objectives through managing our resources and assets to foster a profitable environment for the ASIC stakeholders.

ASIC's employees, their welfare and concerns are very important to the success of the company. Understanding and acceptance of this fundamental principle is essential to building long lasting business relationships. It is the intention of the company to encourage a working environment, based on mutual trust and confidence, which will provide opportunities for individual effort and reward. Every employee is considered a member of our company team. Our success as a company is built on the recognition of the skills and efforts made by each employee. Our policy is to work with all members of this team in a fair and friendly manner, and treat each team member with dignity and respect. The management will continuously work together with all employees for the benefit of our present and prospective customers and suppliers in order to improve the company's competitive position, which will enable the company to accomplish the following two goals:

1. To provide superior jobs for all team members of ASIC; and
2. To guarantee customer satisfaction with the provision of high quality products and services.

General conditions such as safety, cleanliness and employee accommodations will be evaluated periodically for improvement, and will always compare favorably with good industry practice. Management will meet with any team member to discuss suggested improvements in working conditions. The company will honor and abide by the provisions of this employee handbook. Overall, ASIC will expect everyone to devote their best efforts to conduct an expanding business within which an atmosphere of harmony with opportunity for all will prevail. With this in mind, we adhere to the following values:

1. Nothing substitutes for profits.
2. Pursue the Best, Good is not enough.
3. Safety is the only thing more important than the customer.
4. The best way to make money is to stop losing it.
5. Think carefully before you act.
6. Humility is fundamental.
7. Those who are not wise enough to create must have the courage to imitate.

1.2 Purpose of Handbook

The policies in this handbook are not intended to create a contract. The policies should not be construed to constitute contractual obligations of any kind of contract of employment between ASIC and any employee. The provisions in this handbook have been developed at the discretion of management, except for the policy of employment-at-will, may be amended or cancelled at any time at the sole discretion of ASIC. The policies listed in the handbook

create a guideline of rules and regulations which ASIC expects its employees to follow.

These provisions replace all other existing policies and practices, and may not be changed or added to without the express written approval of the President of ASIC.

1.3 At-Will Employment

Employment at ASIC is at-will. An at-will employment relationship can be terminated at any time, with or without reason or notice by either the employer or the employee. This at-will employment relationship exists regardless of any statements by office personnel to the contrary.

Section 2- Workplace Commitments

2.1 Americans with Disabilities Act (ADA)

To ensure equal employment opportunities to qualified individuals with a disability, ASIC will make reasonable accommodations for the known disability of an otherwise qualified individual, unless undue hardship on the operation of the business would result. Employees who may require a reasonable accommodation should contact Human Resources.

2.2 Anti-Nepotism

ASIC discourages the hiring of relatives (or domestic partners) of ASIC employees. It is ASIC's policy that relatives (or domestic partners) not work in direct reporting relationships or work for the same direct supervisor.

ASIC reserves the right to vary from the guidelines outlined in this policy to address unusual circumstances on a case by case basis.

It is the responsibility of every employee to identify to ASIC's Human Resources any potential or existing personal relationship which falls under the definitions provided in this policy. Employees who fail to disclose personal relationships covered by this policy will be subject to disciplinary action up to and including the termination of employment.

For the purposes of this policy, "relative" or "related employee" is defined as father, mother, sister, brother, spouse, domestic partner, child, first cousin, aunt, uncle, niece, nephew or such relative by marriage (i.e. in-laws or step relationships).

This policy applies to all current employees and candidates for employment.

2.3 Drug Free / Alcohol Free

Drug abuse and alcohol dependency are national social and health problems that have devastating consequences to individuals and their friends and families. Such issues can also have a negative impact on the workplace, the well-being of our fellow employees and the quality of work performed for our clientele. ASIC is concerned about the adverse effects of drug abuse on employees' job performance, health and safety.

All employees are prohibited from the following:

- The manufacture, possessions, use, sale distribution, dispensation, receipt, or transportation of illegal substances while on Company property or while otherwise engaged in Company business.
- Being under the influence of substances while on Company property or while otherwise engaged in Company business or during employment.

Violation of this policy will not be tolerated and may subject violator to discipline, up to and including termination of employment. Any employee who refuses to submit to testing as provided for in this policy may also be subject to disciplinary action, up to and including termination of employment.

2.4 Employment of Minors

ASIC will fully comply with the Child Labor provisions of the Fair Labor Standards Act and applicable state statutes which govern the employment of minors. Any minor under the age of 16 may not work in an occupation considered threatening to the health, morals, and well-being of young individuals. The following list dictates examples of what the State of Oklahoma considered prohibited for minors under the age of 16:

- Manufacturing, Mining, or Processing Occupation
- Public Messenger Service
- Any Occupation in Connection with Warehousing or Storage
- Public Utilities
- Construction and Demolition
- Utilizing Slicers or Sharp Knives
- Transporting Individuals by Rail, Air, Water, or Highway
- Any Power-Driven Machinery Other Than Office Machines

- Baking, Cooking, Fryers or Grills
- Ladders and Scaffolding
- Youth Peddling

Minors ages 16 to 18 generally face fewer restrictions in workplace limitations than younger minors. For safety purposes and being considered a hazardous occupation for minors, ASIC discourages the employment of individuals younger than age 18 in any position with the company.

2.5 Equal Opportunity Employment

ASIC provides equal employment opportunities to all employees and applicants for employment without regard to race, color, ancestry, national origin, gender, sexual orientation, marital status, religion, age, disability, gender identity, results of genetic testing, or service in the military. Equal employment opportunity applies to all terms and conditions of employment, including hiring, placement, promotion, termination, layoff, recall, transfer, leave of absence, compensation, and training.

ASIC expressly prohibits any form of unlawful employee harassment or discrimination based on any of the characteristics mentioned above. Improper interference with the ability of other employees to perform their expected job duties is absolutely not tolerated.

Any employees with questions or concerns about equal employment opportunities in the workplace are encouraged to bring their issues to the attention of HR. ASIC will not allow any form of retaliation against individuals who raise issues of equal employment opportunity. If an employee feels he or she has been subject to any such retaliation, he or she should bring it to the attention of HR.

Retaliation means adverse conduct taken because an individual reported an actual or perceived violation of this policy, opposed practices prohibited by this policy, or participated in the reporting and investigation process described below. “Adverse conduct” includes but is not limited to:

- (1) shunning and avoiding an individual who reports harassment, discrimination or retaliation;
- (2) express or implied threats or intimidation intended to prevent an individual from reporting harassment, discrimination or retaliation; or
- (3) denying employment benefits because an applicant or employee reported harassment, discrimination or retaliation or participated in the reporting and investigation process.

2.6 Immigration Law Compliance

ASIC is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identify and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with ASIC within the past three years, or if their previous I-9 is no longer retained or valid.

2.7 Non-Harassment / Non- Discrimination

Sexual and other unlawful harassment is a violation of Title VII of the Civil Rights Act of 1964 (Title VII). Harassment based on a characteristic protected by law, such as race, color, ancestry,

national origin, gender, sex, sexual orientation, gender identity, marital status, religion, age, disability, veteran status, or other characteristic protected by state or federal law, is prohibited. It is ASIC's policy to provide a work environment free of sexual and other harassment. To that end, harassment of ASIC's employees by management, supervisors, coworkers, or nonemployees who are in the workplace is absolutely prohibited. Further, any retaliation against an individual who has complained about sexual or other harassment or retaliation against individuals for cooperating with an investigation of a harassment complaint is similarly unlawful and will not be tolerated. ASIC will take all steps necessary to prevent and eliminate unlawful harassment.

Definition of Unlawful Harassment: "Unlawful harassment" is conduct that has the purpose or effect of creating an intimidating, hostile, or offensive work environment; has the purpose or effect of substantially and unreasonably interfering with an individual's work performance; or otherwise adversely affects an individual's employment opportunities because of the individual's membership in a protected class.

Unlawful harassment includes, but is not limited to, epithets; slurs; jokes; pranks; innuendo; comments; written or graphic material; stereotyping; or other threatening, hostile, or intimidating acts based on race, color, ancestry, national origin, gender, sex, sexual orientation, marital status, religion, age, disability, veteran status, or other characteristic protected by state or federal law.

Definition of Sexual Harassment: While all forms of harassment are prohibited, special attention should be paid to sexual harassment. "Sexual harassment" is generally defined under both state and federal law as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature where:

- Submission to or rejection of such conduct is made either explicitly or implicitly a term or condition of any

individual's employment or as a basis for employment decisions; *or*

- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive work environment.

Other sexually oriented conduct, whether intended or not, that is unwelcome and has the effect of creating a work environment that is hostile, offensive, intimidating, or humiliating to workers may also constitute sexual harassment.

While it is not possible to list all those additional circumstances that may constitute sexual harassment, the following are some examples of conduct that, if unwelcome, may constitute sexual harassment depending on the totality of the circumstances, including the severity of the conduct and its pervasiveness:

- Unwanted sexual advances, whether they involve physical touching or not;
- Sexual epithets, jokes, written or oral references to sexual conduct, gossip regarding one's sex life, comments about an individual's body, comments about an individual's sexual activity, deficiencies, or prowess;
- Displaying sexually suggestive objects, pictures, or cartoons;
- Unwelcome leering, whistling, brushing up against the body, sexual gestures, or suggestive or insulting comments;
- Inquiries into one's sexual experiences; *and*
- Discussion of one's sexual activities.

All employees should take special note that, as stated above, retaliation against an individual who has complained about sexual harassment and retaliation against individuals for cooperating with

an investigation of sexual harassment complaint is unlawful and will not be tolerated at ASIC.

Complaint Procedure: Any employee who believes he or she has been subject to or witnessed illegal discrimination, including sexual or other forms of unlawful harassment, is requested and encouraged to make a complaint. You may lodge a complaint directly to your immediate supervisor or department manager, the HR director, or any other member of management with whom you feel comfortable bringing such a complaint. Similarly, if you observe acts of discrimination toward or harassment of another employee, you are requested and encouraged to report this to one of the individuals listed above.

No reprisal, retaliation, or other adverse action will be taken against an employee for making a complaint or report of discrimination or harassment or for assisting in the investigation of any such complaint or report. Any suspected retaliation or intimidation should be reported immediately to one of the persons identified above.

All complaints will be investigated promptly and, to the extent possible, with regard for confidentiality.

If the investigation confirms conduct contrary to this policy has occurred, ASIC will take immediate, appropriate, corrective action, including discipline, up to and including immediate termination.

2.8 Open Door Policy

ASIC has an open door policy and takes employee concerns and problems seriously. The company values each employee and strives to provide a positive work experience. Employees are encouraged to bring any workplace concerns or problems they might have or know about to their manager and/or Human Resources.

2.9 Tobacco Use

Smoking is not allowed in any of the hangars or work areas at any time. “Smoking” includes the use of any tobacco products (including chewing tobacco), electronic smoking devices, and e-cigarettes, also known as vaping. Smoking is only permitted outside during break times and during lunch. Employees are expected to dispose of any smoking debris safely and properly.

Section 3- Company Policy and Procedure

3.1 Bulletin Boards

The bulletin board is located in Hangar 33 on the wall by the QA/PMA door. You will also find the mandated information on the bulletin boards. If you would like to post a notice in this area, get approval from Human Resources first. Solicitation items usually are not approved.

3.2 Code of Conduct

ASIC expects its employees to adhere to a standard of professional conduct and integrity. This ensures that the work environment is safe, comfortable and productive. Employees should be respectful, courteous, and mindful of other’s feelings and needs. Foul or vulgar language will not be tolerated and should be avoided from use here at ASIC. General cooperation between coworkers, supervisors and managers is expected. Individuals who act in an unprofessional manner may be subject to disciplinary action.

3.3 Company Business

ASIC is committed to operate all activities within the spirit and letter of all laws and regulations affecting its business and employees. Employees must exercise the highest level of integrity, ethics and objectivity in their actions and relationships which may affect ASIC. Employees must not misuse their authority or influence of their positions in these relationships. Moreover, an employee has the duty to act in the best interest of ASIC at all times.

The success of our business is dependent on the trust and confidence we earn from our employees, customers, and shareholders. We gain credibility by adhering to our commitments, displaying honesty, integrity and reaching company goals solely through honorable conduct.

We all deserve to work in an environment where we are treated with dignity and respect. ASIC is committed to creating such an environment because it brings out the full potential in each of us, which, in turn, contributes directly to our business success.

3.3.1 Company Owned Vehicle Use

Some employees may be assigned work related duties, which include using a company owned vehicle. Prior to using a company owned vehicle for the first time, and at the time you renew your operator's license, you are required to present it to the administrative support person to have a photocopy produced for the company's record. The license must be the correct class to operate the vehicle assigned for you to accept driving it on company business.

Our policy regarding the unlikely event of an automotive accident while you are operating a company vehicle is to first place emphasis on your injury condition. Notify company management as soon as possible of the facts relating to the situation.

Information exchanged with other parties should be limited to our company name, address, telephone number and contact person's name, either the Chief Operating Officer or the President. We encourage you to cooperate fully with the police investigation of the accident. Company policy is for you to make no statements of fault, a commitment of you or the company's liability, and no comments to the news media reporters. Employees authorized to drive a company vehicle are completely responsible for fines resulting from traffic violations such as speeding tickets or for not wearing seat belts. Only ASIC employees are authorized to ride in company vehicles unless approved by management. Company owned vehicles will be driven only for transportation to and from destinations as specified. Company owned vehicles will not be driven for private use unless specific arrangements have been made with the President of the company.

3.3.2 Company Property

Company property, such as equipment, vehicles, telephones, computers, and software, is not for private use. These devices are to be used strictly for company business, and are not permitted off grounds unless authorized. Company property must be used in the manner for which it was intended. Upon termination, employees are required to surrender any company property that they possess.

Company computers, internet and emails are privileged resources, and must be used only to complete essential job-related functions. Employees are not permitted to download any "pirated" software, files or programs and must receive permission from a supervisor before installing any new software on a company computer. Files or programs stored on company computers may not be copied for personal use.

Phones are provided for business use. The company requests that employees not receive personal calls while on duty. If urgent,

please keep personal calls to a minimum and conversations brief. Personal long distance calls on company phones are not permitted.

Employees are reminded that they should have no expectation of privacy in their use of company computers or other electronic equipment. Violations of these policies could result in disciplinary action.

3.3.3 Company Travel

ASIC's aircraft mechanics will travel on occasion to salvage damaged aircraft throughout the United States and overseas. The opportunity to travel abroad to destinations exists. If travel interests you, you are encouraged to apply for a passport.

Overtime will be paid for any time over the normal 40 hours, whether the time is for travel or for working on the job. All hours must be accurately accounted for. Travel time is the initial time getting to or coming from the job destination. Any time spent sightseeing or for personal recreation is not to be included.

A record of the hours spent in travel, and the hours spent working on the aircraft will be kept by the lead person for himself and each traveling employee. This record should include: start times, lunch times and stop times.

ASIC pays for three (3) meals a day, all lodging and work related transportation during the trip. Please choose moderately priced hotels and restaurants based on the area you are in. A maximum of \$40.00 per day will be allowed for meals. Consideration will be given for high cost areas. Snacks and drinks between meals are not reimbursed. Ask for an itemized receipt for each purchase. If your receipt was paid for with cash, mark the receipt with "PC" (petty cash). If you used a credit card, it will show on your receipt.

Itemized receipts are needed to reimburse you and for our records. “Itemized” is defined as the cash register receipt that lists the specific items you purchased along with a date, time and business name and phone number. Lost receipts will be your responsibility to reimburse the company if you have been given a cash advance or if a credit card is used.

As with any business, our records (your receipts) are subject to IRS audit. Only itemized receipts will be accepted for reimbursement. ASIC will reimburse an employee for only one alcoholic beverage consumed with the evening meal. Only one alcoholic beverage will be allowed on the itemized meal receipt per person. For any tip to be reimbursed, it must be written on an appropriate receipt showing what the tip was for and be maximum of 20% of total bill.

No personal items or personal phone calls will be paid by ASIC. Personal purchases and calls come out of your personal funds and are your responsibility. The IRS does not consider personal items a legitimate company expense.

If you take a customer or point of contact out for a meal, if possible, call and get prior approval from management. If you cannot call for approval, make sure it is a legitimate business expense. Put the name of the individual, their relationship to ASIC and subject discussed on the back of the itemized receipt.

While you are on company travel time, we ask that you represent ASIC in a professional manner. At meals and in seeking entertainment, please be neat and clean (a company shirt is not required). No inappropriate T-shirts. A company shirt is required while working.

3.3.4 Conduct of Employees Involved in the Purchasing Process: Unlawful Use of Company Funds

Employees may not use corporate assets or funds for any unlawful or improper purpose. ASIC does not authorize and will not condone any payments by any employee that is in the nature of a bribe, kickback, or disclosed commission or a commission in excess these required in ordinary course of business to a third party for obtaining any business or otherwise bestowing a special favor on the Company or employee.

3.3.5 Conflicts of Interest

While ASIC has no wish to interfere in any employee's outside activities, ASIC has a policy prohibiting conflicts of interest.

We must avoid any relationship or activity that might impair, or even appear to impair, our ability to make objective and fair decisions when performing our jobs. At times, we may be faced with situations where the business actions we take on behalf of ASIC may conflict with our own personal or family interests because of the course of action that is best for us personally may not also be the best course of action for ASIC. We owe a duty to ASIC to advance its legitimate interest when the opportunity to do so arises. We must never use ASIC property or information for personal gain or personally take for ourselves any opportunity that is discovered through our position with ASIC.

Determining whether a conflict of interest exists is not always easy to do. Employees with a conflict of interest question should seek advice from management. Before engaging in any activity, transaction or relationship that might give rise to a conflict of interest, employees must seek review from their managers or Human Resources.

3.3.6 Holding a Significant Interest in Suppliers, Customer or Competitors

ASIC's policies require that employees (spouses and family living in the same household) not have any ownership interests in, or own property with, any of ASIC's vendors, suppliers, agencies, customers, or competitors unless ASIC determines that such ownership interests does not conflict with the employee's obligations to the company. These restrictions do not apply to ownership of stock of a public company.

3.3.7 Non- Disclosure / Confidentiality

ASIC is engaged in manufacturing and distribution, which requires that a strict code of confidentiality of information be maintained. No employee will store information outside the company (either written or electronic form) about any matter pertaining to the conduct of ASIC's business. No information regarding ASIC's purchase prices or manufacturing process shall be given to anybody without permission of the President of ASIC. All work done, customer contacts and information received on the premises or by ASIC is considered PROPRIETARY KNOWLEDGE and will remain so.

Conversations regarding prices, service, problems, etc. about one vendor or customer to another is prohibited. Any employee that improperly uses or discloses a trade secret or confidential business information will be subject to disciplinary action, up to and including termination of employment and/or legal action. This applies even if you do not gain any benefit from releasing the information within ASIC, such as personal and/or personnel information.

3.3.8 Parking

Employee's designated parking area is on the gravel area between Hangar 33 and the round top or the gravel area behind Hangar 409. Management and certain personnel are the only ones allowed to

park between Hangar 33 and 69. The company assumes no responsibility for employees' vehicles or their contents while on company property. Parking is relative to weather (snow and excessive rain). Common sense dictates where you will want to park. Do not block the access to taxi ways, aircraft or doors. Aircraft always has the right of way.

3.3.9 Selective Disclosure

We will not selectively disclose (whether in one-on-one or small discussions, meetings, presentations or proposals) any material nonpublic information with respect to ASIC, its business operations, plans, financial condition, results of operations or any development plant. We should be particularly vigilant when making presentations or proposals to customers to ensure that our presentations do not contain nonpublic material or information.

3.3.10 Theft of Company Property

ASIC values all employees and their property, and expects that employees in turn values the company and its assets. Therefore, we will not tolerate employee theft, or stealing of any kind, including fraudulent time card reporting. That includes theft of money, information, products, inventory, tools or any item, information or idea that belongs to the company or to an employee, customer or business partner of the company.

As such, we expect all incidents of employee theft to be reported immediately to your manager or Human Resources, along with any data or information you have observed or obtained. We further retain the right to use video cameras as well as software to identify and detect employee theft.

Employees caught breaking any state or federal law, including employee theft of private or company property or falsifying timekeeping records will be terminated with no warning given.

In addition, a police report may be filed, as well as a potential lawsuit against the employee with a request for restitution of funds or products, inventory or assets.

To prevent employees from false accusations, we will investigate all claims of theft of employee stealing, and discipline any employee making a false accusation.

3.3.11 Tool Policy

We provide employees with a list of required tools during the employment process. We ask for the employee to provide all items on the tool list by their 90th day of employment. These tools are listed in section 12 of this handbook. Any additional tools are checked out daily from the parts room and returned when you are finished with them, but not later than quitting time that same day. Attention to the use of the tools is mandatory. The possibility of a tool being lost or left inside an aircraft is unacceptable. Missing and damaged tools are not acceptable.

The parts room is responsible for the management and control of tools. We use a clipboard to sign tools in and out.

Before entering the parts room area please notify parts room personnel to escort or assist as needed.

We ask that each employee ensures that their personal tools and toolbox are identified clearly. This helps you identify and keep track of your tools and removes the possibility of disputes about tool ownership.

Management Concerns at Quitting Time: Return bucking bars to the shelf provided. Roll up lights, extension cords and air hoses. The worktables and aircraft should be free of tools. Tools that are borrowed from another employee's toolbox should be returned.

Personally owned toolboxes and tools should be taken with the employee if they decide to leave ASIC employment. Abandoned tools and boxes will be disposed of after 30 days.

3.3.12 Visitors

Absolutely no visitors are allowed in the production area while work is in progress; not even in the windowed production office. Escort or have all visitors report to the administrative office.

Both the company and you are proud of your work. Family and friends are probably interested in what goes on at ASIC. We have very little objection to you giving a short tour. Our "very little objection" is that you give management plenty of notice, conduct the tour during breaks or after 4:30 p.m., and keep children under physical control (you will be held financially responsible for any damage that may occur). Photography must be cleared through management and must be kept to a minimum of pictures. Safety or workload concerns might be a reason to deny a request. Please discourage friends and family from coming to visit you during working hours and without notice.

3.3.13 Dress Code

An employee's personal appearance and hygiene is a reflection on the company's character. While we trust each employee's common sense and good judgment, a dress code must be followed that is appropriate to the work environment. We often have visitors and customers, first impressions matter in the business world.

A list of the following requirements ASIC asks you to abide by:

1. Beanies and hats are acceptable, but must be worn appropriately to where it causes no interference with vision.
2. Company logo shirts or t-shirts are acceptable but please ensure there are no vulgar, offensive or gang related language and/or graphics visible. Tank tops, sleeveless shirts, tube tops, or halter tops are not acceptable.
3. No excessively low or baggy pants such that a person's undergarments or buttocks are exposed. No sweat pants or athletic work-out clothes are acceptable.
4. Clothing must not have any excessively torn, dirty, tattered appearance, or emit an unpleasant odor.
5. Jewelry such as rings, large earrings, and watches are discouraged due to safety concerns.
6. Tattoos are acceptable in the workplace as long as they are not offensive and could be covered when working closely with stakeholders.
7. Shorts are acceptable as long as they are no more than 3" above the kneecap. Skirts are not acceptable in our business environment.
8. Sandals or thong-type shoes are not allowed. All shoes should have a closed toe and heel.

No part of this policy is intended to conflict with any religious belief or affiliation. Please contact HR with any concerns.

3.4 Drug and Alcohol Testing

ASIC has a mandatory illegal substance abuse policy that is mandated by the Federal Aviation Administration which applies to every employee involved with our aircraft production. Each employee will be tested for drugs and/or alcohol.

We are committed to making ASIC a safe, efficient and productive work environment for all employees. There can be serious safety and health risks if an employee uses, or is under the influence of drugs or alcohol on the job. Also, employees working in the paint shop will undergo a pulmonary test per OSHA guidelines. Each month an employee may be chosen at random to undergo drug and/or alcohol screening test. If you refuse to be tested, this is considered a positive result.

If you leave ASIC employment before your 90 day probation is completed, costs for your pre-employment drug/alcohol/pulmonary testing will be subtracted from your last paycheck.

3.5 Pay Day

ASIC's pay period for all employees is biweekly on Thursday. There are 26 pay periods in a year. If a holiday falls on a payday you will get paid the day before. Payroll processing takes one week and requires all leave requests to be turned in that Monday of the pay week, if they have not already been turned in. Issues with time will need to be fixed on Monday's and it is the employee's responsibility to communicate with the main office to resolve these issues.

3.6 Personnel Files

ASIC employee files are maintained by the human resource department and are considered confidential. Managers and supervisors, other than the HR, may only have access to personnel file information on a need-to-know basis. Personnel files may not be taken outside of the HR department.

Representatives of government or law enforcement agencies, in the course of their duties, may be allowed access to file information. This decision will be made at the discretion of ASIC or the HR department in the response to the employee's request, a valid subpoena or a valid court order.

It is important that personnel files accurately reflect each employee's personal information. Employees are expected to inform the company of any change in name, address, phone number, marital status, number of dependents, or emergency contact information.

3.7 Orientation

Following the acceptance of employment, the manager will discuss job duties and areas of responsibility with the new employee and the requirements listed in the Employee Handbook. Human Resource personnel will review insurance and payroll benefits with the new employee. An electronic copy of the Employee Handbook will be given to each new employee. Employees should read the handbook thoroughly and direct any questions to a member of management.

The following forms must be read and require the signature of each new employee: (1) Acknowledgment of Understanding, (2) Sexual Harassment Policy, (3) Drug-Free Workplace Policy Employee Acknowledgement, and (4) Employee Acknowledgements, Safety Orientation and Training in Accordance to OSHA Compliance Policy. These forms will become part of the employee's personnel file.

3.7.1 Pre-Employment Drug Screening

ASIC is firmly committed to ensuring a safe, healthy, productive and efficient work environment for our employees. ASIC has a

vital interest in ensuring a safe, healthy and efficient working environment and in preventing accidents and injuries resulting from the misuse of alcohol or drugs. The unlawful or improper presence or use of drugs or alcohol in the workplace presents a danger to everyone. For these reasons, ASIC has established the following pre-employment drug testing policy.

This policy applies to applicants for all positions, whether you are a new prospect or a rehire. This policy is not a contract of employment. If an applicant fails to comply with this policy, the applicant will be ineligible for employment.

3.7.2 Probation Period

Each employee hired is subject to a 90 day probation period. How the new employee is performing will be pointed out as a verbal or written feedback. Every opportunity to improve performance will be pointed out before the 90 day probation. Should you miss hours / days worked during your probationary period, management reserves the right to extend the probationary period. Many other factors are considered during this probationary period to assess your strengths and weaknesses. When employees satisfactorily complete the introductory period, they are assigned to the “regular” employment classification.

3.7.3 Training Employees

ASIC is working with the *Autry Technology Center* to offer employees classes in order to meet their goals in professional development. So far, many employees have attended **free** classes in sheet metal, management, composites and computers. These classes are for employees to increase their personal knowledge. The employee is not paid for their time off while participating in these classes. The money comes from state grants to better educate the Oklahoma work force. We post or verbally announce to

employees when classes become available. Most courses are posted with sign-up sheets. You are encouraged to take as many classes as you can. Please give us input on technical classes you would like to see in the future.

3.8 References Requested by Others

When companies contact ASIC by telephone requesting information about employees, we will only provide them with the start date of a current employee and the dates of employment of a past employee. ASIC will release other requested information to the employee with a written consent from you with your signature on it. Our reply will only be in writing, not by telephone. If you are in the process of getting a mortgage or loan and you suspect the lending company will contact ASIC, let us know. We will cooperate with the lending company in any way possible to make the process go smooth, but only with your written consent.

3.9 Second Job

ASIC recognizes that some employees may need or want to hold additional job outside their employment with the company. Employees of ASIC are permitted to engage in outside work or hold other jobs, subject to certain restrictions based on reasonable business concerns.

ASIC applies this policy consistently and no discriminatorily to all employees, and in compliance with all applicable employment and labor laws and regulations. The following rules for outside employment apply to all employees:

1. Work-related activities and conduct away from ASIC must not compete with, conflict with or compromise the company's interests or adversely affect job performance and the ability to fulfill all responsibilities to ASIC. This

prohibition also extends to the unauthorized use of any company tools or equipment and the unauthorized use or application of any company confidential information. In addition, employees may not solicit or conduct any outside business during work time for ASIC.

2. ASIC employees must carefully consider the demands that additional work activity will create before accepting outside employment. Outside employment will not be considered an excuse for poor job performance, absenteeism, tardiness, or leaving early.

3.10 Weapon-Free Workplace

To ensure that ASIC maintains a workplace safe and free of violation for all employees, the company prohibits the possession or use of dangerous weapons on company property.

All ASIC workers are subject to this provision, including contract workers and temporary employees as well as visitors and customers on company property. A license to carry the weapon on company property does not supersede company policy. Any employee in violation of this policy will be subject to disciplinary action, up to and including termination.

3.11 Workplace Monitoring and Internet Usage

ASIC recognizes that use of the Internet and e-mail is necessary in the workplace and employees are encouraged to use the Internet and e-mail systems responsibly, as unacceptable use can place ASIC and others at risk. This policy outlines the guidelines for acceptable use of ASIC's technology systems.

All technology provided by ASIC, including computer systems, communication networks, company-related work records and other information stored electronically, is the property of ASIC and not the employee. In general, use of the company's technology systems and electronic communications should be job-related and not for the personal convenience.

ASIC reserves the right to examine, monitor and regulate e-mail and other electronic communications, directories, files and all other content, including Internet use, transmitted by or stored in its technology systems, whether onsite or offsite.

If you use the internet in a way that violates the law or ASIC's policies, you will be subject to disciplinary action, up to and including termination of employment. You may also be held personally and legally liable for violating this policy.

The following are some examples of prohibited activities that violate this internet policy:

- Sending or posting discriminatory, harassing or threatening messages or images.
- Using ASIC's time and resources for personal gain, or for personal business.
- Stealing, using or disclosing someone else's code or password without authorization.
- Sending or posting confidential material, trade secrets or proprietary information outside of the company.
- Engaging in unauthorized transactions that may incur a cost to the company.
- Sending or posting messages or material that could damage the company's image or reputation.
- Participating in viewing or exchange of pornography or obscene materials.

- Sending or posting messages that defame or slander other individuals.
- Attempting to break into the ASIC Company, or another organization's computer.
- Jeopardizing the security of company's electronic communications systems.
- Sending anonymous email messages.
- Engaging in any other illegal activities.

3.12 Camera / Video

Company policy generally discourages employees from taking pictures and making videos inside and around ASIC premises. However, the ASIC management may authorize employee's use of this equipment on a case-by-case basis. Authorization is normally restricted to this activity to specific area(s) within the ASIC premises. This policy is not intended to limit employees' ability to show others the pride associated with producing quality work, but is intended to protect the confidentiality and proprietary information belonging to ASIC.

3.13 Telephone Use

We recognize that cellular devices are an integral part of everyday life. Use of these devices can be a detriment to focus and efficiency if used unwisely and excessively during business hours. Employees are allowed to make any personal calls during break/lunchtime(s). It is the employees responsibility to ensure that friends and family members are aware of ASIC's policy.

Employees are not allowed to:

1. Play games on their cell phone during work hours.
2. Make or receive personal calls during work hours.
3. Use of social media during work hours.

4. Use their device's camera or microphone to record confidential business information.
5. Use their device for any reason while driving a company vehicle.
6. Use their device in an area where cell use is explicitly prohibited.
7. Disturb colleagues by speaking on their phone for personal reasons during work hours.
8. Download, upload, or view inappropriate, illegal, or obscene material on any device or over the business's internet connection.

If a non-management employee is observed using a cellular device (without prior management permission in writing) during work hours the employee will be suspended without pay for two weeks. If an employee is observed using their phone during working hours a second time disciplinary action will result in termination of employment.

3.14 Music

- When a PA system with music capability is installed the only music played in the hangar area will be transmitted through that system
- Music may be listened to while working if the following criteria are met:
 - The volume cannot be so loud that it is overheard by others
 - Volume cannot be so loud for safety reasons that with one earbud in co-workers/supervisors warnings and instructions cannot be heard at all times
 - Music needs to be on auto play to not violate previously stated cell phone policy

Productivity is the most important part of a successful workplace. ASIC's wants a productive and safe workplace for its employees.

Section 4- Employment Classification

4.1 Exempt

Exempt employees are those that are excluded from the overtime pay requirements of the Fair Labor Standards Act. Exempt employees are paid a salary and are expected to work beyond their normal work hours whenever necessary to accomplish the work of the company. Exempt employees are not eligible to receive overtime compensation. Employees should consult with an Human Resources personnel if they have questions regarding their classification as an exempt employee.

4.2 Non- Exempt

Non-exempt employees are those eligible for overtime pay of 1.5 times the regular hourly rate of pay for all hours worked over 40 per work week. All overtime must be approved in advance. Employees should consult with Human Resources personnel if they have questions regarding their classification as a non-exempt employee.

4.3 Part-Time, Full-Time, or Temporary Status

Part-time or full-time status depends on the number of hours per week an employee works. Regular employees who work fewer than 30 hours receive part-time classification.

4.4 Work Hours and Authorized Overtime

ASIC's work week begins on Sunday and ends on the following Saturday. The normal work hours are 6:00 a.m. through 4:30 p.m., Monday through Thursday. Production deadlines occasionally cause the need to work overtime. If this happens, we may schedule employees to work overtime hours. When possible, we will try to give you advance warning of a mandatory overtime assignment. It is our policy that no overtime can be worked without the approval and authorization of management. We try to distribute overtime assignments fairly among all employees who are qualified to perform the required work.

Hourly paid employees may be expected to work overtime in case of emergency or whenever necessary in the best interests of ASIC. If determined necessary, overtime work will be authorized by ASIC for time spent beyond an employee's standard work week. Hourly paid employees will be paid one and one-half (1.5) their normal hourly rate of pay for approved overtime hours worked in excess of 40 hours per week.

Section 5- Attendance Policies

5.1 Absences

An employee is deemed absent when he or she is unavailable for work as assigned/scheduled and such time off was not approved at least one day prior.

Employees who will be late or absent from work should notify Human Resources in advance, or as soon as possible in the event of an emergency. Please use the form of communication best suited to the situation (i.e. call, voicemail, email, or text). Direct line phone number for voice mail is 580-599-0584 for the HR office voicemail or Ext. 107 from the main phone number.

Employees will be considered excessively absent when they exceed four occurrences of absences from work during a six month rolling period. Chronic absenteeism **may** result in disciplinary action.

Note: Serious medical/personal issues may require absences in excess of this policy or may qualify for a leave of absence. Please see HR personnel if you have any questions.

5.2 Attendance

The regular scheduled work hours are 6:00 a.m. through 4:30 p.m., Monday through Thursday each week. We give on-the-clock breaks at 8:30 a.m. through 8:45 a.m. and from 2:00 p.m. through 2:15 p.m. Lunch break is from 11:30 a.m. through 12:00 noon. Lunch break is not paid and 0.5 hours will be deducted from your time automatically. If you stay around the building, you do not need to clock out for lunch. If you leave the premises for lunch, you must clock out and back in for insurance purposes.

Timely and regular attendance is an expectation of performance for all ASIC employees. To ensure adequate staffing, positive employee morale, and to meet expected productivity standards, employees will be held accountable for adhering to their workplace schedule. Getting to work on time is an important factor in evaluating you for raises and promotion opportunities depends on your prompt attendance. You being here is the foundation of production scheduling. You must plan to be at your work station, ready to work.

In the event an employee is unable to meet this expectation, he/she must obtain approval from their manager and/or Human Resources in advance of any requested schedule changes. This approval includes requests to use appropriate leave accruals, as well as late arrivals to work or early departures from work.

5.3 Call-Ins

An employee must call in to our office as close to 6:00 a.m. as possible, notifying HR with the reason(s) they will not be in. Unless hospitalized, the employee must personally call in. More than four call-ins, excused or unexcused within a six-month period may be grounds for disciplinary action.

5.4 Early Quits/Leave Early

Employees who need to leave early, for illness, court or other excusable matters, should seek approval from a Manager and/or Human Resources at least one day prior. Each occurrence without prior approval by a manager will be counted as 1/4 of an absence. Excessive absences may result in disciplinary actions, up to and including termination.

5.5 No Call-No Show

No call, no show will be deemed as an unexcused absence. Not reporting to work and not calling to report the absence is a no call-no show, and is a serious matter that will not be tolerated. The first occurrence of a no call, no-show will result in a written warning. The second occurrence will be a final warning. After second occurrence, your unwillingness to adhere to company policy will lead to termination. Three consecutive no call, no shows will result in voluntary termination for job abandonment.

5.6 Tardiness

It is your responsibility to be at your work station ready to work each day at 6:00am. Each occurrence without one day prior approval by a manager or human resources will be counted as 1/4 of an absence. Excessive absences may result in disciplinary actions, up to and including termination.

Section 6- Leave Policies

6.1 Bereavement Leave

In the event of death in an employee's immediate family, the employee shall be allowed per occurrence up to three (3) day(s) off work. Such days shall be deducted from the employee's accumulated personal leave. Immediate family includes the spouse, parents, children, sibling, grandchildren, grandparent, step-relatives of the same relationship as provided herein of the employee and his or her spouse or other individuals residing in the employee's household. Employees shall be granted one (1) day per occurrence to attend funerals of aunts, uncles, nieces, nephews, first cousins and friends. Such days shall be deducted from the employee's accumulated personal leave.

6.2 Family and Medical Leave Act

In order to qualify to take family and medical leave under this policy, the employee must meet all of the following conditions:

- The employee must have worked for the organization at least twelve (12) months or fifty-two (52) weeks
- The employee must have worked at least one thousand two hundred fifty (1250) hours during the (12) month period immediately before the date the leave would begin and
- They work at a location with at least 50 employees within a 75- mile radius.

In order to qualify, as FMLA leave under this policy, the employee must take the leave for one of the following reasons:

1. The birth of a child and in order to care for that child;
2. The placement of a child for adoption or foster care;
3. To care for a spouse, child, or parent with a serious health condition or
4. The serious health condition of the employee.
5. Military Caregiver Leave
6. Military Exigency Leave

A serious health condition is an “illness, injury, impairment or physical or mental condition that involves inpatient care in a hospital, hospice, or residential care facility or continuous treatment by a health care provider.” The employee is required to provide doctor’s certification of the serious health condition.

An eligible employee can take up to twelve (12) weeks of leave under this policy during any twelve (12) month period; military caregiver leave can be up to twenty-six (26) weeks.

Employees are entitled to continue their health insurance while on leave, at the same cost they must pay while working. Although FMLA leave is unpaid, the employee maybe allowed (or required) to use their accrued paid leave during FMLA leave.

6.3 Holidays

ASIC has six (6) paid major holidays. They are: New Year’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. To be eligible for holiday pay you must be present, or on an approved vacation/personal day, the workday prior and workday after the holiday falls. The workday is defined as being ten (10) hours. To qualify you must be employed for two

(2) consecutive weeks. ASIC reserves the right to vary this policy. ASIC will provide a yearly holiday/payday calendar on February 1st (or closest business day) each year.

6.4 Jury Duty

The company understands that occasionally employees are called to serve on a jury. Employees who are selected for jury duty must provide a copy of their summons to Human Resources. Employees released early from jury duty are expected to return to work as soon as possible. Employee may elect to use personal time for any jury duty required.

6.5 Personal Leave of Absence

Regular employees may request an unpaid leave of absence after the exhaustion of paid leave. Maximum leave that will be approved will be for 180 days. A request for a leave of absence must be submitted in writing or a leave form filled out with additional comments turned into Human Resources. Continuation of employee's medical/dental/vision benefits would be contingent on employee paying full premium during the absence.

6.6 Military Leave

Employees called to active duty, military reserve or National Guard service will be granted time off for temporary duty in accordance with the provisions of Title 44 of the Constitution of the State of Oklahoma. To receive time off, employees must provide notice and a copy of their report orders to Human Resources. Upon return, an employee will be reinstated and any applicable job benefits they would have received if present, to the extent provided by law. ASIC abides by the Uniformed Services Employment & Retirement Rights Act (USERRA) (Title 38 of the United States Code).

6.7 Personal (Sick) Leave

Forty (40) hours for full-time employees and twenty-four (24) hours for part-time employees is granted to you after 90 days of employment and each service anniversary. The personal hours grant/accrual will show up on your check stub/advice. Personal hours will carry over into each year with a maximum accrual of 240 hours (or 6 weeks). ASIC does not buy back personal hours nor will they pay out if you choose to leave ASIC employment. Personal time with at least one day prior approval can be taken at your discretion with a limit of three consecutive days. Any request of personal time with no prior notification or in excess of 3 days (30 hours) can be used for personal illness/recovery and/or care for immediate family member illness/recovery (FMLA or non FMLA approved LOA).

6.8 Vacation

Awarded on Service Anniversary	Full-Time	Part-Time
1 year	40 hours	24 hours
2-4 years	80 hours	48 hours
5-14 years	120 hours	72 hours
15 years or more	160 hours	96 hours

Vacation time will be awarded on your anniversary date. The vacation days will show up on your check stub/advice. We do not count vacation/holiday/personal days as hours worked when calculating overtime.

To use your vacation days you need to submit a request. Request forms are located in the Main Office.

Vacation days will not carry over into the next year (after your anniversary date). This is referred to as a “use it or lose it” policy. ASIC encourages you to take vacation time. If you are running out of time left in the year and still have not used all your vacation time, see your manager.

Employees leaving the company that have a balance of vacation time will be paid for those hours/days in their last paycheck. If you leave before your first anniversary date you will not have accrued any vacation time and will not be reimbursed for it.

6.9 Voting

Employees are encouraged to participate in elections. ASIC does not provide time off for voting. Workdays end at 4:30 p.m. each day, allowing employee’s time to vote. Voting polls do not close until 7:00 p.m. on Election Day.

6.10 Vacation gift to another co-worker

Employees can gift vacation hours to another employee in need of time off from work. Specifically, this policy allows multiple employees to donate a combined maximum of 4 weeks of accrued vacation time to an employee when the receiving employee needs time off that is not otherwise covered by any existing time off benefits.

Ineligible situations

This policy may not be used in situations in which the employee who would receive the donation:

- Is experiencing a normal pregnancy or common illness (cold, minor surgery, sprain, etc.)

- Has an illness or injury covered by Short-Term Disability (STD) or Worker’s Compensation benefits
- Has other paid benefits that apply (state paid family leave benefits, etc.)

Eligible situations

This policy can be used for occasions when:

- The receiving employee has a serious illness or injury (such as cancer, serious accident, major surgery, heart attack, etc.) that poses a threat to life and/or requires inpatient, hospice or residential health care and the employee needs time off.
- The employee is providing care for an immediate family member (parent, spouse, domestic partner, child, step-child, etc) who has a serious illness or injury (such as cancer, serious accident, major surgery, heart attack, etc.) that poses a threat to life and/or requires inpatient, hospice or residential health care and the employee needs time off.
- The receiving employee has exhausted all of their paid time off (Vacation, Personal Holiday, and Absence) before receiving donated vacation time under this policy. However, the receiving employee may initiate the vacation donation request process in anticipation of exhausting their accrued paid time off.
- The receiving employee is not covered by or is eligible for Short-Term Disability (STD), Worker’s Compensation or other paid leave benefits when they receive the donated vacation time.

How it works

- A donating employee can donate a minimum of 4 hours and a maximum of 40 hours to an employee

in a rolling 12-month period. Donations must be made in 1 hour increments (i.e. 4 hours, 5 hours, 6 hours, etc.)

- Only previously accrued vacation time may be donated.
- Vacation benefits will not be paid during any resignation period to extend the employee's resignation period or time of service with the Company.

Section 7- Work Performance

7.1 Employee Evaluations and Pay Increases

Each year, the President, and human resources will determine the pool of merit increase funds available. Both the objectives of the compensation program and financial resources available will be considered in the decision-making process.

In accordance with ASIC guidelines, managers will recommend: a) whether an employee should receive any merit increase based on his or her yearly performance review and b) the employee's attendance.

The following factors are the basis for awarding merit pay to employees:

- The employee's performance as reported in the yearly performance review.
- The appropriate pay level within the range for the employee considering the employee's performance and performance of others in the range.

- Employee's attendance.
- Employee's safety record.
- Pay increase funds available.
- Recommendations of managers, as approved by upper management.

6.8.1 Service Bridge

- Bridging is the act of combining two separate periods of employment at ASIC for the purpose of determining years of service for benefit purposes.
-
- Benefits can be bridged if an employee meets two criteria: 1) completed at least one year of service in a regular position immediately prior to the last separation, and 2) must have returned to a regular position in less than one year

7.2 Expectations

ASIC expects every employee to act in a professional manner. Satisfactory performance of job duties and responsibilities is crucial to this expectation. Employees should attempt to achieve their job objectives, and act with diligence and consideration at all times. Poor job performance can result in disciplinary action, up to and including termination.

7.3 Insubordination

Managers and employees should interact with mutual respect and common courtesy. Employees are expected to take instruction from managers or other persons of authority. Failure to comply

with instructions or unreasonably delaying compliance is considered insubordination. Acts of insubordination are subject to disciplinary action, up to and including termination.

If an employee disagrees with a manager, the employee should first try to communicate their position. If possible, a compromise might be met and accusations of insubordination avoided.

7.4 Problem Resolution

ASIC encourages an open and frank atmosphere in which any problem, complaint, suggestion or question receives a timely response from ASIC managers and upper management.

ASIC tries hard to ensure fair and honest treatment of all employees. We expect supervisors, managers and employees to treat each other with mutual respect.

We encourage employees to give positive and constructive criticism to each other. If you disagree with ASIC's rules of conduct, policies or practices, you can state your concerns through the problem resolution procedure described in this policy. You will not be penalized, formally or informally, for making a complaint as long as you do it in a reasonable, business-like manner. You will also not be penalized for using this problem resolution procedure.

If a situation occurs when you believe that a condition of employment or a decision that affects you is not fair, you are encouraged to use the following problem resolution steps. You may stop the procedures at any step.

1. You present the problem to you manager after the incident occurs. If your manager is unavailable or you believe it would be

- inappropriate to discuss with your manager, you may present the problem to any other member of management.
2. Your supervisor responds to the problem during discussion or after consulting with appropriate management, when necessary. Your manager documents the discussion.
 3. You present the problem to the Human Resources Department if the problem is not resolved.
 4. The Human Resources Department counsels and advises you, helps you to put the problem in writing, visits with managers if necessary, and directs you to the President and/or the Vice President of ASIC for a review of the problem.
 5. You must present the problem to the President and/or the Vice President of ASIC in writing.
 6. The President and/or the Vice President of ASIC reviews and considers the problem. The President and/or the Vice President of ASIC will inform you of the decision and forwards a copy of the written response to Human Resources for your file. The President and/or the Vice President of ASIC have full authority to make any adjustment that is determined to be appropriate to resolve the problem.

Not every problem can be resolved to everyone's total satisfaction. However, we believe that honest discussion and listening to each other will build confidence between employees and management and help make ASIC a better place to work.

7.5 Reviews

ASIC will periodically evaluate an employee's performance. The goal of a performance review is to identify areas where an employee excels and areas that need improvement. The company uses performance reviews as a tool to determine pay increases, promotions, and/or terminations.

All performance reviews are based on merit, achievement and other factors may include but not limited to:

- Quality of work
- Attitude
- Knowledge of work
- Job skills
- Attendance and punctuality
- Teamwork and cooperation
- Compliance with company policy
- Improvement
- Acceptance of responsibility and constructive feedback

Section 8- Discipline Policy

8.1 Grounds for Disciplinary Action

ASIC reserves the right to discipline and/or terminate any employee who violates company policies, practices or rules of conduct. Poor performance and misconduct are also grounds for discipline or termination.

The following actions are unacceptable and considered ground for disciplinary actions. The list is not comprehensive; rather is meant merely as an example of the types of conduct that this company does not tolerate. These actions include, but are not limited to:

- Engaging in actions of discrimination or harassment in the workplace;
- Possessing or distributing illicit controlled substances;
- Being under the influence of a controlled substance or alcohol at work, on company premises, or while engaged in company business;
- Unauthorized use of company property, equipment, devices or assets;
- Damage, destruction or theft of company property, equipment, devices or assets;
- Removing company property without prior authorization or disseminating company information without authorization;
- Falsification, misrepresentation or omission of information, documents or records;
- Dishonesty;
- Insubordination or refusal to comply with directives;
- Failing to adequately perform job responsibilities;
- Excessive or unexcused absenteeism, tardiness, or no call no show;
- Disclosing confidential or proprietary company information without permission;
- Illegal or violent activity;
- Falsifying injury reports or reasons for leave;
- Possessing unauthorized weapons on premises;
- Disregard for safety and security procedures;
- Disparaging or disrespecting manager(s) and/or co-workers; and
- Any other action or conduct that is inconsistent with company policies, procedures, and standards or expectations.
- Violation of the phone use policy during work hours

This list exhibits the types of events that are subject to disciplinary action. It is not intended to indicate every act that could lead to disciplinary action. ASIC reserves the right to determine the

severity and extent of any disciplinary action based on the circumstances of each case.

8.2 Procedures

Disciplinary action is any one of a number of options used to correct unacceptable behavior or actions. Discipline may take the form oral warnings, written warnings, written reprimands, probation, suspension, demotion, termination or some other disciplinary action, in no particular order. The course of action will be determined by Human Resources at its sole discretion as it deems appropriate.

8.3 Termination

Employment with ASIC is on an at-will basis and may be terminated voluntarily or involuntarily at any time.

Upon termination, an employee is required:

- To continue to work until the last scheduled day of employment;
- To turn in all reports and paperwork required to be completed by the employee when due and no later than the last day of work;
- To return all files, documents, equipment, keys, uniforms, tools, software or other property belonging to ASIC that is in the employee's possession, custody or control, and turn in all passwords to his/her manager;
- To participate in an exit interview as requested by Human Resources.

Section 9- Health and Safety

9.1 Concealment of Defective Work Product, Damage to Tools or Equipment

Our company places *firm emphasis* on producing safe airworthy aircraft for our customers. ASIC urges each employee to report even the smallest incident to a member of management for inspection and instruction on how to proceed. We have a zero tolerance policy regarding an employee concealing defective work. Defective work will result in disciplinary actions, up to and including termination.

9.2 Emergency Procedures

In the event of an emergency, dial 911 immediately. If you hear a fire alarm or other emergency alert system, proceed quickly and calmly to the nearest exit. Once the building has been evacuated, only a manager may authorize employees to reenter. Know what to do during emergency procedures. Assume all alarms are real. Ask if you are unsure of procedures.

9.3 Emergency Closings

ASIC will always make every attempt to be open for business. In situations in which some employees are concerned about their safety, upper management may advise managers to notify their departments that the office is not officially closed, but anyone may choose to leave the office if he or she feels uncomfortable. If normal working hours have not yet occurred, employees that are concerned about their safety may call in and leave a voice mail.

If the office is officially closed during the course of the day to permit employees to leave early, nonexempt employees who are working on-site will be paid only for actual hours worked, or you can take personal or vacation/personal. If you leave earlier than

the official closing time, you will be paid only for actual hours worked, or you can take personal or vacation/personal. Exempt employees will be paid for a normal full day but are expected to complete their work at another time.

9.3.1 Inclement Weather / Power Outages

When an emergency such as these, the company will advise employees whether they will be closed for the day or close early:

- Ice Storm(s)
- Impact of snow falls
- Electricity is out
- Tornado(s)
- Earthquake

9.3 Hazardous Waste

The Environmental Protection Agency has classified certain chemicals and chemical groups into categories, which have been classified as toxic. This means that in concentrated forms or by accumulating and combining with other chemicals (even with air) these chemicals can be hazardous to human health if exposure occurs. As an ASIC employee you have certain rights regarding the use of hazardous materials in the workplace. ASIC will provide you with information regarding the following:

1. What Chemicals are used in the workplace (SDS sheets)?
2. Where the chemicals are located.
3. Physical and health hazards associated with the chemicals.
4. Protection measures that must be taken to prevent exposure.

5. What to do in case of exposure to the chemicals.

ASIC is committed to not creating, and properly disposing of hazardous waste, which may contaminate the environment. We will choose materials which have been judged as nonhazardous whenever it is possible, and properly dispose of hazardous materials if used. We also will not knowingly dump any wastes into the environment at any time. ASIC will inform employees how to control hazardous wastes and what to do if they are exposed. If any employee suspects that the wastes they encounter as an employee are hazardous, they should inform management immediately. For additional information on hazardous materials in the workplace consult your managers.

9.4 Housekeeping

Clean as you go. Management or your supervisor should not have to tell you to clean your work area before he can inspect it. Consider all safety aspects in the work place. Keep your personal work area and toolbox as clean as possible. We may have visitors, customers and/or the FAA walking through our work areas at any time. Keep the work table tops clean to prevent scratches in sheet metal. When planes are moved, clean the area where they were located. Disconnect air hoses and unplug extension cords at the end of each workday. Roll up hoses and power cords.

9.5 PPE and Tools

Some work performed at ASIC requires the use of a respirator and/or PPE. The types of PPE available are chemical aprons, chemical gloves, dust masks, face shields and ear plugs. ASIC policy is for you to use them. Where chemical agents are being used, read and understand the Safety Data Sheets for the chemical used. The parts room posts the Safety Data Sheets, located outside the production manager's office.

ASIC provides safety glasses and ear plugs for employees. Safety glasses and ear plugs are mandatory **at all times** when in the shop (excluding office environment). Sound is greatly amplified when you work on a wing in the jig or in a compartment within the fuselage. Drilling, sanding, grinding or cutting material are eye hazards. All authorized visitors are required to wear safety glasses while in the shop.

If you work in the paint shop and use respirators you will be given an initial and periodic pulmonary function tests to determine your physical ability to perform painting duties. Your safety and health are primary concerns to ASIC.

9.6 Reporting Accidents

Reporting accidents and injuries promptly helps ASIC provide the most appropriate care for injured employees and return them to work as safely and swiftly as possible.

Any accident, incident or “near miss,” no matter how slight the injury or damage, should be reported to their supervisor as soon as possible. Employee should fill out an accident report and turn it into their manager. Manager(s) and personnel office is responsible for taking appropriate follow-up action, including directing medical attention, completing an investigation report and recommending or implementing appropriate corrective actions.

Physical discomfort caused by repetitive tasks must also be reported. For more information about on the job injuries, refer to the worker’s compensation section of this handbook.

9.7 Scrap Metal

Aluminum and steel that cannot be reused will be taken to the scrap metal bin out front. Wood from packing crates is sometimes reused in shipping. Whatever scrap material that makes it out to the dumpster is available to those inclined to “dive.” Please use good discipline on the supply items checked out through the parts room. Let the parts room determine whether or not to throw away the leftovers if it is a questionable amount. Scrap aluminum is collected in the trashcans back by the break and shear tools. Do not stack the trailer or trash bins too full because the Oklahoma winds may scatter debris.

9.8 Workplace Safety

ASIC takes every reasonable precaution to ensure that employees have a safe working environment. Safety measures and rules are in place for the protection of all employees. Ultimately, it is the responsibility of each employee to help prevent accidents. To ensure the continuation of a safe workplace, all employees should review and understand all provisions of the company’s workplace safety policy. Employees should use all safety and protective equipment provided to them, and maintains work areas in a safe and orderly manner, free from hazardous conditions. Employees who observe an unsafe practice or condition should report it to a manager immediately. Employees are prohibited from making threats against anyone in connection with his/her work or engaging in violent activities while in the employ of the company. Any questions regarding safety and safe practices should be directed to your manager.

Employees should recognize any potential fire hazards and be aware of fire escape routes and fire drills. Do not block fire exits, tamper with fire extinguishers or otherwise create fire hazards.

9.9 Workplace Security

Employees must be alert and aware of any potential dangers to themselves or their coworkers. Take every precaution to ensure that your surroundings are safe and secure. Guard personal belongings and company property. Visitors should be escorted at all times. Report any suspicious activity to a manager immediately.

Section 10- Benefits

10.1 401K

ASIC has a 401K plan through Mass Mutual available for our full time and part time employees that gross over \$5,000 per year and who have been with the company over ninety (90) days and are in good standing. ASIC will match your contribution, up to 2% per pay period. You are encouraged to add an additional contribution to your 401K, not to exceed \$19,000.00 per tax year. Money placed into your 401K is not taxed, but you may choose a 401K Roth which will tax your retirement now instead of later. The money buys shares in mutual funds that you select. Leaving your money in the stock market over a long period of time is historically very profitable. We encourage each employee to have a financial plan for the future. ASIC, as a company, can only endorse the 401K portion of the financial services offered by the agent.

10.2 Aflac Insurance Policies

ASIC provides a variety of Aflac Insurance policy plans upon request by employee(s). Aflac offers a wide variety of insurance policies. Policy plans through Aflac is a hundred percent covered by the employee and can be taken out of their biweekly pay check. For additional information or questions please ask the Executive Assistant or Human Resources.

10.3 Employee Referral Program

ASIC is always looking for good people, and you can help. Research has shown, and our own experience supports, that new hires who come into a company through employee referrals are excellent contributors, stay with the company longer and are more cost-effective recruits.

That's where you can come in! If you know someone who would be a good addition to ASIC, you may be awarded a referral bonus of \$50.00 if you refer a candidate, he or she is hired and he or she has completed their first 90 days of employment. Employees must refer candidates to Human Resources.

10.4 Health Insurance

ASIC maintains a group health insurance benefit program for eligible full time employees and their qualifying immediate family members. Each year, at the time of renewal, we shop around for the best affordably priced coverage for our employees. ASIC contributes 70 percent (70%) of the cost of full time employee's coverage leaving the employee with 30 percent (30%) to pay. The employee pays one hundred percent (100%) of dependent coverage. Eligibility for the program is after sixty (60) days of full time employment in good standing. If you chose not to take coverage, you will be asked to sign a waiver declining insurance. The insurance company will offer an open enrollment once a year. The company will notify employees of this date yearly.

The term "eligible employee(s)" used in the above sections of this handbook refer to an employee who works at least thirty-five (35) hours per week at least forty-one (41) weeks a year. Employees will be advised of the status of their position when they are hired. Temporary employees are not eligible for benefits.

10.5 Life Insurance

ASIC maintains life insurance for eligible full time employees after 60 days of employment. The policy is for \$25,000 and is fully paid by the company. ASIC also offers a voluntary supplement to this policy that is guaranteed up to \$100,000 for employees under 60 years of age. Employees over the age of 60 are eligible based on evidence of insurability at reduced coverage amounts.

10.6 Uniforms

Employees in production and machine shop are required to wear company-designated uniforms at all times while working and representing ASIC. Each new employee will receive four uniform shirts upon 90 days from hire. Employees are required to sign for the uniforms, and the uniforms are considered company property and are to be returned in the event of termination or employment. Those that choose to may wear attire that best fits their department on every Thursday.

Upon issue, company uniforms become the responsibility of the employee for maintenance and care. In the event a uniform needs repair or replacement, employees will be required to return the uniform in exchange for a replacement. While normal wear and tear is expected, excessive damage or loss of company uniforms may result in disciplinary action.

ASIC may issue new uniforms periodically or require uniforms to be returned for special purposes (e.g., logo change, color change). Employees will be given a notice of the exchange, and the company will provide suitable replacement uniforms.

Employees are required to return all issued uniforms upon termination of employment. ASIC will deduct the cost of any missing uniforms from the employee's final paycheck.

10.7 Worker's Compensation

ASIC provides a comprehensive worker's compensation insurance program to our employees. This program does not cost you anything. The worker's compensation program covers work related injuries or illness that might happen during the course of employment that require medical, surgical, or hospital treatment. Subject to legal requirements, worker's compensation insurance begins after a short waiting period, or if you are hospitalized, the benefits begin immediately.

It is very important that you tell your manager immediately about any work related injury or illness, regardless of how minor it might seem at the time. Prompt reporting helps to make sure that you qualify for coverage as quickly as possible and let us investigate the matter promptly.

Worker's compensation covers only work related injuries and illnesses. Neither ASIC or its insurance carrier will pay worker's compensation benefits for injuries that might happen if you voluntarily participate in an off-duty recreational, social or athletic activity that we might sponsor.

Section 11- Termination Policies

11.1 COBRA Continuation of Benefits

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) helps employees and their dependents to continue their health insurance even if they are no longer eligible under our health plan. Employees terminating for reasons other than gross misconduct may continue their group health insurance coverage for eighteen (18) months at their own expense. If you continue your insurance under COBRA, you will pay the full cost of the insurance.

Former employees must notify management in writing of their intent to continue coverage within thirty (30) days and they must pay the premiums according to the premium schedules. Failure to notify management in writing, or pay premiums, is considered notice of cancellation of this option.

11.2 Exit Interview

The company may request an exit interview upon notice of termination. The purpose of the exit interview is to complete necessary forms, collect company property and discuss employment experiences with the company.

11.3 Final Paycheck

Employees who terminate employment with the company will be given their final pay via paycheck or direct deposit option and will be available on the Thursday following the pay period. Should the employee be unable to personally retrieve their paper paycheck, it will be mailed to the address on file.

11.4 Voluntary Termination

The company recognizes that personal situations may arise which requires a voluntary termination of employment. Should this occur, the company requests that the employee provide two weeks written

advance notice. This request does not alter an employee's at-will relationship with the company.

All rights and privileges of employment with the company terminate upon the date of separation. Terminated employees are required to return all company property assigned to them. Failure to do so may result in withholding of their final paycheck.

Section 12- Aircraft Technician Hand Tools List

- Lockable Toolbox with wheels
- Pliers – full set including vice-grip
- 6 scale – graduated in 100th inch
- Ball Peen Hammers (small and medium sized)
- Combination wrench set
- Screw driver set with bit holder standard and Philips
- Right and left hand tin snips
- Plastic mallet (1 ½ lb dead blow)
- Wire cutters
- Cleco pliers
- Punch set
- Tape measure
- Inspection mirror
- Flashlight w/batteries
- Duck bill pliers

- File set (4 pc set)
- 12” File
- Scribe (2 pc set)
- 9 pc Rivet set
- Wire strippers
- Chip chaser (small and large)
- Mandrel set
- Cherry gauge
- 2 in and 3 in Disc Holder

Section 13- Acknowledgement of Receipt

13.1 Employee Copy (Keep with handbook)

I acknowledge that I have received access to a copy of the Employee Handbook. I understand that I am responsible for reading the information contained in the Handbook.

I understand that the Handbook is intended to provide me with a general overview of the company's policies and procedures. I acknowledge that nothing in this handbook is to be interpreted as a contract, expressed or implied, or an inducement for either employment, nor does it guarantee my employment for any period of time.

I understand and accept that my employment with the company is at-will. I have the right to resign at any time with or without cause, just as the company may terminate my employment at any time with or without cause or notice, subject to applicable laws. I understand that nothing in the handbook or in any oral or written statement alters the at-will relationship.

I acknowledge that the company may revise, suspend, revoke, terminate, change or remove, prospectively or retroactively, any of the policies or procedures outlined in this handbook or elsewhere, in whole or in part, with or without notice at any time, at the company's sole discretion.

Signature of Employee

Date

13.2 Employer Copy (Detach and turn into HR for record)

I acknowledge that I have received a copy of the Employee Handbook. I understand that I am responsible for reading the information contained in the Handbook.

I understand that the Handbook is intended to provide me with a general overview of the company's policies and procedures. I acknowledge that nothing in this handbook is to be interpreted as a contract, expressed or implied, or an inducement for neither employment, nor does it guarantee my employment for any period of time.

I understand and accept that my employment with the company is at-will. I have the right to resign at any time with or without cause, just as the company may terminate my employment at any time with or without cause or notice, subject to applicable laws. I understand that nothing in the handbook or in any oral or written statement alters the at-will relationship.

I acknowledge that the company may revise, suspend, revoke, terminate, change or remove, prospectively or retroactively, any of the policies or procedures outlined in this handbook or elsewhere, in whole or in part, with or without notice at any time, at the company's sole discretion.

Signature of Employee
Date