



EMPLOYEE HANDBOOK

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Welcome new employee!

On behalf of your colleagues, I welcome you to Lawrence Transportation Company (“Lawrence”) and wish you every success here.

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

This handbook was developed to describe some of the expectations of our employees and to outline the policies, programs, and benefits available to eligible employees. Employees should familiarize themselves with the contents of the employee handbook as soon as possible, for it will answer many questions about employment with Lawrence.

We hope that your experience here will be challenging, enjoyable, and rewarding. Again, welcome!

Sincerely,

Eric A. Lawrence
President

INTRODUCTORY STATEMENT

This handbook is designed for all employees of Lawrence Transportation Company including its divisions, subsidiaries, and affiliates (“Lawrence” or the “Company”).

This handbook is not a contract. Your employment with Lawrence is and will remain one of “at-will” employment. This means that you may quit your employment at any time and Lawrence retains the right to terminate your employment at any time, with or without notice for any lawful reason. This handbook is a guide designed to acquaint you with Lawrence and provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. You should read, understand, and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by Lawrence to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

No employee handbook can anticipate every circumstance or question about policy. As Lawrence continues to grow, the need may arise and Lawrence reserves the right to revise, supplement, or rescind any policies or portion of the handbook from time to time as it deems appropriate, in its sole and absolute discretion, with or without notice. The only exception to any changes is our employment-at-will policy permitting you or Lawrence to end our relationship for any reason at any time. Lawrence will endeavor to notify employees in a timely manner should any changes be implemented to this handbook or any Lawrence policies.

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EMPLOYMENT

1.1 Nature of Employment

This handbook is designed for all employees of Lawrence Transportation Company including its divisions, subsidiaries, and affiliates (“Lawrence” or the “Company”). The employment relationship with Lawrence is one of “at-will” employment. Policies set forth in this handbook are not intended to create a contract, nor are they to be construed to constitute contractual obligations. These policies do not create a contract of employment. Employment with Lawrence is voluntary and the employee is free to resign at any time with or without cause. Lawrence may also terminate the employment relationship at any time in accordance with federal and state law. The provisions of this handbook have been developed at the discretion of management and may be amended or cancelled at any time at Lawrence’s sole discretion, with the exception of the policy of **employment-at-will**.

These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the President of Lawrence.

1.2 Equal Employment Opportunity Statement

Lawrence provides equal employment opportunities (EEO). Employment decisions at Lawrence are based on qualifications, merit and abilities. Lawrence does not discriminate on the basis of race, color, religion, gender, national origin, age, disability, sexual orientation, marital status, gender identity, amnesty, status as a covered veteran or status with regard to public assistance or any other characteristic protected by law. Lawrence complies with applicable state and local laws governing nondiscrimination in employment in every location in which the company has facilities. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Any employee with questions or concerns about any type of discrimination in the workplace is encouraged to bring these issues to the attention of their immediate supervisor or Human Resources. Improper interference with the ability of Lawrence employees to perform their expected job duties is absolutely not tolerated.

1.3 Americans with Disabilities Act (ADA)

The Americans with Disabilities Act (ADA) and the Americans with Disabilities Amendments Act, known as the ADAAMA, are federal laws that prohibit employers with 15 or more employees from discriminating against applicants and individuals with disabilities and that when needed provide reasonable accommodations to applicants and employees who are qualified for a job, with or without reasonable accommodations, so that they may perform the essential job duties of the position.

It is the policy of Lawrence to comply with all federal and state laws concerning the employment of persons with disabilities and to act in accordance with regulations and guidance issued by the Equal Employment Opportunity Commission (EEOC). Furthermore, it is our company policy not to discriminate against qualified individuals with disabilities in regard to application procedures,

hiring, advancement, discharge, compensation, training or other terms, conditions and privileges of employment.

Lawrence will reasonably accommodate qualified individuals with a disability so that they can perform the essential functions of a job unless doing so causes a direct threat to these individuals or others in the workplace and the threat cannot be eliminated by reasonable accommodation and/or if the accommodation creates an undue hardship to Lawrence. Contact your supervisor or the Human Resource department with any questions or requests for accommodation.

1.4 Anti-harassment Policy and Complaint Procedure

Definitions of Harassment

Sexual harassment constitutes discrimination and is illegal under federal, state and local laws. For the purposes of this policy, sexual harassment is defined, as in the Equal Employment Opportunity Commission Guidelines, as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when, for example a) submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment; b) submission to or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or c) such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment.

Sexual harassment may include a range of subtle and not-so-subtle behaviors and may involve individuals of the same or different gender. Depending on the circumstances, these behaviors may include unwanted sexual advances or requests for sexual favors; sexual jokes and innuendo; verbal abuse of a sexual nature; commentary about an individual's body, sexual prowess or sexual deficiencies; leering, whistling or touching; insulting or obscene comments or gestures; display in the workplace of sexually suggestive objects or pictures; and other physical, verbal or visual conduct of a sexual nature.

Harassment on the basis of any other protected characteristic is also strictly prohibited. Under this policy, harassment is verbal, written or physical conduct that denigrates or shows hostility or aversion toward an individual because of his/her race, color, religion, gender, sexual orientation, national origin, age, disability, marital status, citizenship, genetic information or any other characteristic protected by law or that of his/her relatives, friends or associates, and that a) has the purpose or effect of creating an intimidating, hostile or offensive work environment; b) has the purpose or effect of unreasonably interfering with an individual's work performance; or c) otherwise adversely affects an individual's employment opportunities.

Harassing conduct includes epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group and that is placed on walls or elsewhere on the employer's premises or circulated in the workplace, on company time or using company

equipment via e-mail, phone (including voice messages), text messages, tweets, blogs, social networking sites or other means.

Employee Rights and Responsibilities:

Employees are entitled to timely resolution of any complaints about harassing or inappropriate behavior. In addition, employees are protected from retaliation for making a complaint or exercising other rights protected by law.

It is an employee’s responsibility and obligation to report harassing or inappropriate behavior, whether it is directed at them or is something they have seen or heard that was directed at someone else. Any manager or supervisor who learns of or observes harassing or inappropriate behavior, or receives a complaint about this kind of behavior, should immediately report the behavior or complaint to the Human Resources Department or a Department Head.

Lawrence will investigate the situation and take timely and appropriate action to address and correct the situation. Every employee must cooperate fully during any fact-finding initiated by Lawrence, providing honest and complete information. Employees cannot choose to “stay out of it” if they are asked for information to which they have access.

Failure to participate fully and honestly in the investigative process or in any fact-finding process initiated by Lawrence is a serious violation of company policy and grounds for corrective action, which may include termination from employment.

Liability for Harassment

Any Lawrence employee who is found to have violated this policy is subject to disciplinary action, up to and including termination from employment. Employees may also be subject to personal legal liability for violation of this policy.

Employees wanting more information about our harassment policy or complaint process should contact a supervisor or the Human Resources Department.

Individuals and Conduct Covered

These policies apply to all applicants and employees, whether related to conduct engaged in by fellow employees or someone not directly connected to Lawrence (e.g., an outside vendor, consultant or customer).

Conduct prohibited by these policies is unacceptable in the workplace and in any work-related setting outside the workplace, such as during business trips, business meetings and business-related social events.

Complaint Process

Individuals who believe they have been the victims of conduct prohibited by this policy statement or who believe they have witnessed such conduct should discuss their concerns with their immediate supervisor, Human Resources or any member of management.

When possible, Lawrence encourages individuals who believe they are being subjected to such conduct to promptly advise the offender that his or her behavior is unwelcome and request that it be discontinued. Often this action alone will resolve the problem. Lawrence recognizes, however, that an individual may prefer to pursue the matter through complaint procedures.

Lawrence encourages the prompt reporting of complaints or concerns so that rapid and constructive action can be taken before relationships become irreparably strained. Therefore, although no fixed reporting period has been established, early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment.

Any reported allegations of harassment, discrimination or retaliation will be investigated promptly. The investigation may include individual interviews with the parties involved and, where necessary, with individuals who may have observed the alleged conduct or may have other relevant knowledge.

Confidentiality will be maintained throughout the investigatory process to the extent consistent with adequate investigation and appropriate corrective action.

Retaliation against an individual for reporting harassment or discrimination or for participating in an investigation of a claim of harassment or discrimination is a serious violation of this policy and, like harassment or discrimination itself, will be subject to disciplinary action. Acts of retaliation should be reported immediately and will be promptly investigated and addressed. Misconduct constituting harassment, discrimination or retaliation will be dealt with appropriately.

If a party to a complaint does not agree with its resolution, that party may appeal to Lawrence's Chief Executive Officer or the Human Resources department. False and malicious complaints of harassment, discrimination or retaliation may be the subject of appropriate disciplinary action.

Retaliation

Lawrence will not tolerate any retaliation against any employee who reports an incident of alleged harassment on inappropriate workplace behavior or provides information during an investigation, and will take measures to protect all such employees from retaliation. *Engaging in retaliatory behavior is a violation of this policy, and is grounds for corrective action, up to and including termination of employment.*

1.5 Immigration Law Compliance (Form I-9)

Lawrence does not discriminate on the basis of citizenship or national origin. In compliance with the Immigration Reform and Control Act of 1986, each new employee must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility.

Section I must be completed by the employee **no later than the first day of employment.**

Section II must be completed **within three (3) business days** of the employee's first day of employment. If verification cannot be provided as required, Lawrence may terminate employment.

Employees who are **rehired** must complete an I-9 if their absence is a length of three (3) years or more or if their previous I-9 is no longer retained or valid.

1.6 Nepotism, Employment of Relatives and Personal Relationships

Lawrence wants to ensure that corporate practices do not create situations such as conflict of interest or favoritism. This extends to practices that involve employee hiring, promotion and transfer. Close relatives, partners, those in a dating relationship or members of the same household are not permitted to be in positions that have a reporting responsibility to each other. Close relatives are defined as husband, wife, domestic partner, father, mother, father-in-law, mother-in-law, grandfather, grandmother, son, son-in-law, daughter, daughter-in-law, uncle, aunt, nephew, niece, brother, sister, brother-in-law, sister-in-law, step relatives, cousins and domestic partner relatives.

If employees begin a dating relationship, become relatives, partners or members of the same household, and if one party is in a supervisory position, it is the responsibility and obligation of the supervisor involved in the relationship to disclose the existence of the relationship to management and/or Human Resources of the relationship.

The individuals concerned will be given the opportunity to decide who is to be transferred to another available position. If that decision is not made within 30 calendar days, management will decide who is to be transferred or, if necessary, terminated from employment. Failure to report a relative relationship or dating relationship will result in discipline, up to and including termination of employment.

In other cases where a conflict or the potential for conflict arises because of the relationship between employees, even if there is no line of authority or reporting involved, the employees may be separated by reassignment or terminated from employment. Employees in a close personal relationship should refrain from public workplace displays of affection or excessive personal conversation.

Lawrence reserves the right to apply this policy to situations where there is a conflict or the potential for conflict because of the relationship between employees, even if there is no direct-reporting relationship or authority involved.

1.7 Employee Medical Examinations

After an offer of employment has been made for a designated job category, a medical examination may be required. The offer of employment and assignment to duties is contingent upon satisfactory completion of the exam. The cost of the examination is paid for by Lawrence and the provider is designated by Lawrence. Current employees may also be required to take medical examinations to determine fitness for duty. Such examinations will be scheduled at reasonable

times and intervals and performed at Lawrence's expense.

Information on an employee's medical condition or history will be kept separate from other employee information and maintained confidentially. Access to this information will be limited.

1.8 Probationary Period

The probationary period is intended to give new employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. Lawrence uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or Lawrence may end the employment relationship **at-will** at any time during or after the probationary period, with or without cause or advance notice.

All new and rehired employees work on a probationary basis for the first 90 calendar days after their date of hire. Any significant absence will automatically extend a probationary period by the length of the absence. Lawrence reserves the right to extend the probationary period to allow sufficient time to thoroughly evaluate employee performance.

During the introductory period, new employees are eligible for those benefits that are required by law, such as workers' compensation insurance and Social Security. After becoming regular employees, they may also be eligible for other Lawrence-provided benefits, subject to the terms and conditions of each benefits program. Employees should read the information for each specific benefits program for the details on eligibility requirements.

1.9 Employee Personnel Files

The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals, salary increases and other employment records. It is the responsibility of each employee to promptly notify Lawrence of any changes in personnel data.

Personnel files are the property of Lawrence, and access to the information they contain is restricted. Generally, only supervisors and management personnel of Lawrence who have a legitimate reason to review information in a file are allowed to do so.

Employees who wish to review their own file should contact the Human Resource department. With reasonable advance notice, employees may review their own personnel files in Lawrence's offices and in the presence of an individual appointed by Lawrence to maintain the files as required by Minnesota law. Representatives of government or law enforcement agencies, in the course of their duties, may be allowed access to file information.

1.10 Job Descriptions

Lawrence maintains job descriptions to aid in orienting new employees to their jobs, identifying the requirements of each position, establishing hiring criteria, setting standards for employee performance evaluations, and establishing a basis for making reasonable accommodations for individuals with disabilities.

Each description includes a position purpose section; a job summary section with an overview of the job's essential responsibilities and duties; a qualifications section which includes education and/or experience, specialized knowledge, proficiencies, required certifications; a work requirements section for any physical, mental or other important attributes necessary; and a special position requirements section.

The Division or Product Manager and the hiring manager prepare job descriptions when new positions are created. Existing job descriptions are also reviewed and revised in order to ensure that they are up to date. Job descriptions may also be rewritten periodically to reflect any changes in the position's duties and responsibilities.

Employees should remember that job descriptions do not necessarily cover every task or duty that might be assigned, and that additional responsibilities may be assigned as necessary. Employees are expected to help ensure that their job descriptions are accurate and current. If you believe your job description is not accurate, please inform management or Human Resources.

1.11 Employee Classification Categories

It is the intent of Lawrence to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship **at-will** at any time is retained by both the employee and Lawrence.

Nonexempt: Employees whose work is covered by the Fair Labor Standards Act (FLSA). They are NOT exempt from the law's requirements concerning minimum wage and overtime.

Exempt: Employees are generally managers or professional, administrative or technical staff who ARE exempt from the minimum wage and overtime provisions of the FLSA. Exempt employees hold jobs that meet the standards and criteria established under the FLSA by the U.S. Department of Labor.

Regular, full time: Employees who are not in a temporary or introductory status and who are regularly scheduled to work a 40-hour work week. Generally, these employees are eligible for Lawrence's benefit package; subject to the terms, conditions and limitations of each benefit program.

Regular, part time: Employees who are not in a temporary or introductory status and who are regularly scheduled to work less than 32 hours each week. Generally, these employees are not eligible for Lawrence's benefits package.

Temporary, full time: Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work the company's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. These employees are not benefit eligible.

Temporary, part time: Employees who are hired as interim replacements to temporarily supplement the workforce or to assist in the completion of a specific project and who are temporarily scheduled to work less than the company's full-time schedule for a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. These employees are not benefit eligible.

PROBATIONARY employees are those whose performance is being evaluated to determine whether further employment in a specific position or with Lawrence is appropriate. Employees who satisfactorily complete the introductory period will be notified of their new employment classification.

1.12 Progressive Discipline

Lawrence supports the use of progressive discipline to address issues such as poor work performance or employee misconduct. Our progressive discipline policy is designed to provide a corrective action process to improve and prevent a recurrence of undesirable behavior and/or performance issues. This progressive discipline policy has been designed consistent with our organizational values, HR best practices and employment laws.

Lawrence recognizes that there are certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps. Lawrence reserves the right to advance to the level of discipline appropriate in each situation. Lawrence reserves the right to combine or skip steps in this process depending on the facts of each situation and the nature of the offense. The level of disciplinary intervention may also vary. Some of the factors that will be considered are whether the offense is repeated despite coaching, counseling and/or training; the employee's work record; and the impact the conduct and performance issues have on our organization.

Verbal warning: A supervisor verbally counsels an employee about an issue of concern, and a written record of the discussion is placed in the employee's file for future reference.

Written warning: Written warnings are used for behavior or violations that a supervisor considers serious or in situations when a verbal warning has not helped change unacceptable behavior. Written warnings are placed in an employee's personnel file. Employees should recognize the grave nature of the written warning.

Performance improvement plan: Whenever an employee has been involved in a disciplinary situation that has not been readily resolved or when he/she has demonstrated an inability to perform assigned work responsibilities efficiently, the employee may be given a final warning or placed on a performance improvement plan (PIP). PIP status will last for a predetermined amount of time not to exceed 90 days. Within this time period, the employee must demonstrate a willingness and ability to meet and maintain the conduct and/or work requirements as specified by the supervisor and the organization. At the end of the performance improvement period, the performance improvement plan may be closed or, if established goals are not met, dismissal may occur.

Lawrence reserves the right to determine the appropriate level of discipline for any inappropriate conduct, including oral and written warnings, suspension with or without pay, demotion and discharge.

1.13 Employee Credit Cards

Lawrence (hereafter referred to as “the Company”) will issue Company credit cards aka fuel cards to certain employees for use in their jobs; this policy sets out the acceptable and unacceptable uses of such credit cards.

Any employee issued a Company credit card is required to sign the form titled *Agreement for Wage Deductions Associated with Improper Use of Company-Issued Credit Cards*. This document remains in the employee personnel file for the duration of employment.

1.13a Proper credit card use

Use of Company-issued credit cards is a privilege, which the Company may withdraw in the event of serious or repeated abuse or at any time in its sole discretion. Any credit card Lawrence issues to an employee must be used for business purposes only, in conjunction with the employee's job duties. Fuel cards that are issued to an employee are for fuel for Company vehicles only. Employees with such credit cards shall not use them for any non-business, non-essential purpose, i.e., for any personal purchase or any other transaction that is not authorized or needed to carry out their duties. Employees must pay for personal purchases (i.e., transactions for the benefit of anyone or anything other than the Company) with their own funds or personal credit cards.

1.13b Improper use Company-issued Credit Cards

If any employee uses a Company credit card for personal purchases in violation of this policy, the cost of such purchase(s) will be considered an advance of future wages payable to that employee, and will be recovered in full from the employee's next paycheck; any balance remaining will be deducted in full from subsequent paychecks until the wage advance is fully repaid. Such deductions may take the employee's pay below minimum wage for the pay period(s) in question. If an employee uses a Company credit card for any other type of unauthorized transaction in violation of this policy, i.e., incurs financial liability on the Company's part that is not within the scope of the employee's duties or the employee's authorization to make business-related purchases, the cost of such purchase(s) or transaction will be the financial responsibility of that employee, and the employee will be expected to reimburse the Company via deductions from pay until the unauthorized amount is fully repaid. Such deductions will be in the amount of the unauthorized purchase(s), but if a deduction for such amount would take the employee below minimum wage for the workweek in question, the deductions will be in two or more equal increments that will not take the employee's pay below minimum wage for any workweek involved.

In addition to financial responsibility and liability for wage deductions, any purchases an employee makes with a Company credit card in violation of this policy will result in disciplinary action, up to and including termination of employment, depending upon the severity and repeat nature of the offense.

1.14 Separation of Employment

Since employment with Lawrence is based on mutual consent, both the employee and Lawrence have the right to terminate employment at will, with or without cause, at any time. Employee benefits will be affected by employment termination in the following manner. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

Lawrence will generally schedule exit interviews at the time of employment termination. The exit interview will afford an opportunity to discuss such issues as employee benefits, conversion privileges, repayment of outstanding debts to Lawrence, or return of Lawrence-owned property. Suggestions, complaints, and questions can also be voiced.

Resignation: Although we hope your employment with us will be a mutually rewarding experience, we understand that varying circumstances cause employees to voluntarily resign employment at any time and for any reason. Resigning employees are encouraged to provide two weeks' notice, preferably in writing, to facilitate a smooth transition out of the organization. Management reserves the right to provide an employee with two weeks' pay in lieu of notice in situations where job or business needs warrant such action. If an employee provides less notice than requested, the employer may deem the individual to be ineligible for rehire depending on the circumstances regarding the notice given.

Retirement: Employees who wish to retire are asked to notify their department manager or the Human Resource department in writing at least one (1) month before the planned retirement date.

Job abandonment: Employees who fail to report to work or fail to contact their supervisor for three (3) consecutive workdays shall be considered to have voluntarily abandoned the job without notice, effective at the end of their normal shift on the third day. The supervisor shall notify the Human Resource department at the expiration of the third workday and initiate the paperwork to process the voluntary termination the employee. Employees who are separated due to job abandonment are ineligible to receive accrued benefits (except where required by law) and are ineligible for rehire.

Termination: Employees of Lawrence are employed on an **at-will** basis, and the company retains the right to terminate an employee at any time and for any reason in compliance with federal and state laws.

Return of Company Property

The separating employee must return all Company property at the time of separation, including uniforms, cell phones, keys, PC's, passwords, and identification cards. Failure to return items may result in deductions from the final paycheck or legal action to recover any Lawrence property.

Payment of Accrued Vacation

Employees receive a determined number of vacation days each calendar year on their

anniversary date (date of hire). Any vested, unused vacation days will be paid to the employee in their final paycheck.

The separating employee may be asked to schedule an exit interview. The interview will be on the employee's last day of work or another day, as mutually agreed on.

Rehire

Former employees who left Lawrence in good standing and were classified as eligible for rehire may be considered for re-employment. An application must be submitted and the applicant must meet all minimum qualifications and requirements of the position, including any qualifying exam, when required.

Rehired employees begin benefits subject to the terms and policies set forth in each Plan Document.

An applicant or employee who is terminated for violating policy or who resigned in lieu of termination from employment due to a policy violation will be ineligible for rehire.

WORKPLACE EXPECTATIONS

2.1 Business Ethics and Conduct

The continued success of Lawrence is dependent upon our customers' trust. Lawrence expects its directors, managers and employees to conduct business in accordance with the letter, spirit and intent of all state and Federal laws and to refrain from any illegal, dishonest or unethical conduct.

Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action up to and including termination of employment. If a situation should arise where it is difficult to determine the proper course of action, the matter should be discussed openly with your immediate supervisor or Human Resources.

2.2 Confidentiality

The protection of confidential business information and trade secrets is vital to Lawrence's interests and success. Such confidential information includes, but is not limited to:

- | | |
|----------------------------------|-------------------------------------|
| Benchmarks | Patents |
| Confidential compensation data | Pending projects and proposals |
| Computer codes, and/or passwords | Pricing data |
| Computer programs | Proprietary production processes |
| Copyrighted material | Raw material specifications |
| Customer data and information | Research and development strategies |
| Customer and contractor lists | Sales data |
| Customer preferences | Employee data and information |
| Financial information | Manufacturing processes/procedures |

Tooling designs/lists
Methods and protocols

Market information/strategies
Trade secrets

This information has actual and/or potential independent economic value, and is subject to a reasonable effort by Lawrence to maintain its confidentiality. Any such information provided or disclosed to employees is intended by Lawrence to remain confidential and protected from disclosure until such time as Lawrence specifically declares such information to be no longer confidential.

Except as specifically directed by Lawrence, employees shall not make any disclosure of any confidential materials or information, nor shall they duplicate or otherwise copy any confidential materials or information. Immediately upon request from Lawrence, employees shall return all confidential materials or information in their possession.

All employees may be required to sign a confidentiality and non-disclosure agreement as a condition of employment. Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

2.3 Conflicts of Interest

Employees must avoid any relationship or activity that might impair, or even appear to impair, their ability to make objective and fair decisions when performing their jobs. At times, an employee may be faced with situations in which business actions taken on behalf of Lawrence may conflict with the employee's own personal interests. Company property, information or business opportunities may not be used for personal gain.

Conflicts of interest could arise in the following circumstances:

- Being employed by, or acting as a consultant to, a competitor or potential competitor, supplier or contractor, regardless of the nature of the employment, while employed with Lawrence.
- Hiring or supervising family members or closely related persons.
- Serving as a board member for an outside commercial company or organization.
- Owning or having a substantial interest in a competitor, supplier or contractor.
- Accepting gifts, discounts, favors or services from a customer/potential customer, competitor or supplier, unless equally available to all company employees.

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 should seek review from their manager or the Human Resource department.

Violations of this policy may lead to disciplinary action up to and including termination of employment.

2.4 Outside Employment

Employees are permitted to engage in outside work or to hold other jobs, subject to certain restrictions as outlined below.

Activities and conduct away from the job must not compete with, conflict with or compromise the company interests or adversely affect job performance and the ability to fulfill all job responsibilities. Employees are prohibited from performing any services for customers on nonworking time that are normally performed by Lawrence. This prohibition also extends to the unauthorized use of any company tools, equipment or vehicles and the unauthorized use or application of any confidential information. In addition, employees are not to solicit or conduct any outside business during paid working time.

Employees are cautioned to 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, leaving early, refusal to travel or refusal to work overtime or different hours. If Lawrence determines that an employee's outside work interferes with performance, the employee may be asked to terminate the outside employment.

Employees who have accepted outside employment may not use paid sick leave to work on the outside job. Fraudulent use of sick leave will result in disciplinary action up to and including termination.

2.5 Attire and Grooming

Lawrence employees are expected to be neat, clean and well-groomed while on the job. This is particularly true if your job involves dealing with customers and/or visitors in person. Clothing must be consistent with the standards for a business casual environment and must be appropriate to the type of work being performed.

The following is a guideline only. Management reserves the right to determine appropriate attire:

- Shoes must provide safe, secure footing, and offer protection against hazards. Flip flops are not appropriate footwear during working hours.
- Tank tops, tube tops and halter tops may not be worn under any circumstances.
- Shorts may not be worn under any circumstances.
- Blue jeans must be in good condition and without holes.
- Mustaches and beards must be clean, well-trimmed, and neat.
- Facial piercings such as eyebrow rings, nose rings, lip rings, and tongue studs, may not be worn during working hours.

Your supervisor or department head reserves the right to determine reasonable dress appropriate to the job you perform. Any employee who is improperly dressed will be counseled or, in severe cases, may be sent home to change clothes. Under such circumstances, you will not be compensated for the time away from work. Continued disregard of this policy may be cause for disciplinary action, which may result in termination. Consult your supervisor or Human Resources if you have questions as to what constitutes appropriate appearance.

Natural and artificial scents may also become a distraction from a well-functioning workplace and are also subject to this policy.

2.6 Attendance and Punctuality

Vacation must be scheduled with one's supervisor in advance. Sick leave may be used in the case of emergency or sudden illness without prior scheduling. When sudden illness occurs, employees are expected to notify their supervisor immediately of their intent not to report to work.

Notification should be made by directly speaking with the supervisor whenever possible.

Voicemail messages are not considered to be adequate notification of an employee's intent not to report to work.

Patterns of absenteeism or tardiness may result in discipline even if the employee has not yet exhausted available paid time off. Supervisors have the right to request that employees produce documentation from a medical provider should frequent absenteeism due to illness occur.

Absences due to illnesses or injuries that qualify under the Family and Medical Leave Act (FMLA) will not be counted against an employee's attendance record. Medical documentation within the guidelines of the FMLA may be required in these instances.

Not reporting to work and not calling to report the absence is a no-call/no-show and is a serious matter. Absences lasting three or more days due to illness may require a written note from a physician before a return to work is granted. Absences that a supervisor deems as excessive may also require a written note from a physician before a return to work is granted.

The first instance of a no call/no show will result in a written warning. The second separate offense may result in termination of employment with no additional disciplinary steps. A no call/no show lasting three days may be considered job abandonment and may be deemed an employee's voluntary resignation of employment.

2.7 Computer, Internet, and Cell Phones

Computers, e-mail and Internet access is provided by Lawrence to assist employees in completing their work, improving their efficiency and obtaining work-related data and technology. (The term "computer" shall encompass the email system, Internet access, remote computer access, smart phone access, computer files and any furnished software.) The following guidelines have been established to help ensure responsible and productive computer usage:

Employees must comply with any and all applicable laws (e.g., industry regulations, harassment laws, copyright restrictions, contractual obligations or restrictions, etc.) each and every time they use Lawrence's computer networks, systems, or equipment for any purpose, as well as during

any times they may be using their own personal computer networks, systems, or equipment in ways that may directly or indirectly be associated with Lawrence.

Right to Privacy

1. Computers, the e-mail system, Internet access, remote access, computer files, and software furnished to employees are the property of Lawrence and are intended for business use. As a result, employees have no right to privacy for any uses to which they may put the computers. Similarly, Lawrence reserves the right to monitor any and all use to which our equipment, networks, or resources may be put, regardless of whether the use is personal in nature or occurs during non-working time. Employees should not use a password, access a file, or retrieve any stored communication unless authorized to do so.
2. While computer usage is provided and intended for job-related activities, incidental and occasional personal use may be permitted within reasonable limits. Such use shall be confined to non-working times such as lunch, breaks and/or before or after work hours, and shall not interfere with employee's job performance. Employees using computers for personal use shall not open any attachments from unknown senders, download large files, access streaming audio / video, or visit chat rooms. Employees found to have abused these privileges are subject to suspension of Internet/e-mail, and/or discipline up to and including termination.

Software and Copyrighted Materials

Lawrence purchases and licenses the use of various computer software for business purposes and does not own the copyright to this software or its related documentation. Unless authorized by the software developer, Lawrence does not have the right to reproduce such software for use on more than one computer. Employees may only use software on local area networks or on multiple machines according to the software license agreement. Lawrence prohibits the illegal duplication of software and its related documentation.

The unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited. As a general rule, if an employee did not create material, does not own the rights to it, or has not gotten authorization for its use, it should not be put on the Internet or transmitted through the e-mail system.

Company Files

Employees are expressly prohibited from copying any Lawrence material onto any external hard drive or other storage device, without the express written permission of their supervisor. Upon termination for any reason, the employee must return any and all electronic information, including passwords or stored data immediately to Lawrence.

Computer Virus

Employees should take all anti-virus precautions available to them and prescribed by Lawrence. Employees should not attempt to bypass or disable any anti-virus precautions installed on Lawrence computers.

Email

When required, employees should only send confidential, sensitive and/or proprietary

information using company approved encryption or secure email methods. Similarly, when receiving emails, employees should encourage outside clients, vendors and business partners to send any confidential, sensitive and/or proprietary information using appropriate safeguards, including encryption or secure email methods.

E-mail may not be used to solicit others for commercial ventures, religious or political causes, outside organizations, or other non-business matters.

Employees should not open suspicious e-mails, pop-ups or downloads. Contact management with any questions or concerns to reduce the release of viruses or to contain viruses immediately. Internal and external e-mails are considered business records and may be subject to discovery in the event of litigation. Be aware of this possibility when sending e-mail within and outside the company.

Social Networking Websites

Social networking sites such as Facebook, YouTube, Twitter, LinkedIn and online journals and blogs present unique opportunities for employees to communicate with friends, family, colleagues and the general public. These websites also pose a significant risk to distract employees, reduce productivity and waste company resources where access is permitted during company time. Accordingly, Lawrence may choose to block and/or limit all access to any such site during working hours or via any company owned equipment.

When accessing these sites during non-working hours, employees must be mindful of the fact that information posted is in a global forum, therefore, there is no guarantee of privacy or ability to restrict receipt of posted information. Accordingly, employees should exercise judgment and discretion in posting to social networking sites as they would when engaging in any conduct in a non-private setting. Employees must also understand they are solely responsible for what they post or endorse online.

The following conduct relative to social network communications are examples of previously stated or additional conduct and activities, which **are prohibited** and can result in disciplinary action up to and including termination of employment:

- Sending or posting discriminatory, defamatory, harassing, bullying or threatening messages or images (including photographs or videos) regarding any current or former employee;
- Making defamatory, slanderous or derogatory reference or post against any prospect, client, customer, vendor or business partner that may harm or interfere with the company's corporate brand statement, working relationship or current contracts with third-parties;
- Posting any confidential, proprietary or non-public Lawrence information or documents, including, but not limited to, internal memoranda, reports, announcements, policies or other internal business-related communications, company pricing, client lists or preferences, or financial data;
- Posting comments or opinions regarding Lawrence products or services, and which may be construed as violating state or federal law (e.g. the FTC's Endorsement Guidelines);

- Failing to respect the financial disclosure laws by posting Lawrence’s financial information, which could be perceived as giving outsiders an unfair advantage or insight (“tip”) into Lawrence in violation of state or federal laws;
- Posting any confidential information pertaining to employees or clients, which may otherwise be protected under state and federal laws such as state privacy and disability laws, Red Flag Regulations, ADA, HIPAA or GINA;
- Disclosing any information protected by attorney-client privilege, legal hold or spoliation order;
- Representing (or otherwise giving the impression) you are speaking on behalf of Lawrence;
- Failing to use proper disclaimers where Lawrence is involved, such as “postings on this site are my own and do not represent Lawrence’s opinions, philosophies or business strategies”;
- Posting photographs, videos or other images of other employees without proper authorization, or failing to remove such images when requested by another employee;
- Using Lawrence logo for commercial gain, or in a non-commercial setting that would be inconsistent with Lawrence’s code of ethics and corporate brand;
- Unlawfully gaining access to another employee’s social networking website or profile; or
- Demanding or otherwise requiring candidates or colleagues to relinquish any social networking password.

Employment References or Endorsements

In an effort to ensure consistency and avoid allegations Lawrence is providing negligent references, employees are prohibited from providing employment references or endorsements of any kind regarding former or current Lawrence employees. Any such references or endorsements should be given only with the express permission of Human Resources. Nothing in this policy shall prohibit employees from responding to any local, state or federal regulatory official.

Connecting with Colleagues and Clients Online

Lawrence has no opinion or prohibition regarding colleagues who network on-line during non-company time. However, due to the highly confidential and personal information often maintained in online profiles, supervisors and managers are not permitted to make or accept invitations such as “friend requests” to or from direct reports.

Similarly, employees who receive such requests from non-manager colleagues should not feel compelled to accept such requests if they desire to keep their personal information confidential. Employees are also encouraged to utilize all appropriate privacy settings to ensure their information is shared and viewed only by those the employee intends to have access.

In some situations, colleagues may be permitted to network with colleagues using professional networking websites such as LinkedIn, but employees are required to exercise professional

judgment when communicating on these professional networking websites and must comply with all of Lawrence's policies such as Employee Conduct and Work Rules, Equal Employment Opportunity, Sexual and Other Unlawful Harassment, Background & Employment Reference Checks, Confidentiality & Non-Disclosure and Whistleblower Protections. If employees have any question as to whether a website or post would violate company policy, they are encouraged to seek input from Human Resources without fear of reprisal or retaliation.

If employees network with Lawrence clients or customers online, employees will be required to respect all policies such as Employee Conduct and Work Rules, Sexual and Other Unlawful Harassment, Confidentiality & Non-Disclosure and any non-compete or solicitation agreement in place. Employees who separate from employment shall agree to relinquish any work-related connections with colleagues, clients, customers or vendors as Lawrence deems necessary to comply with existing non-compete and non-solicitation agreements.

Monitoring and Consequences for Policy Violations

While Lawrence has no general practice of reviewing employees' personal profiles on such sites, employees should be aware that if such profiles contain information suggesting conduct that violates this or any Company policy, such information may form the basis for an appropriate investigation and/or discipline. Employees may also be held personally liable for any violations of this policy, which also violates a state or federally protected right.

Nothing in this policy prohibits employees from exercising any legal right under any state or federal law nor will employees be subject to discipline for any posts that are legally protected. However, employees should be aware that not all posts to a personal social networking site outside of work time are entitled to legal protection and any such posts may result in disciplinary action up to and including termination of employment, if they violate this or any other company policy.

Employees who believe they have been the subject of online harassment or bullying should notify Human Resources or any member of management upon learning of violations of this policy without fear of reprisal or retaliation.

All company-supplied technology and company-related work records belong to the company and not to the employee. Lawrence routinely monitors use of company-supplied technology. Inappropriate or illegal use or communications may be subject to disciplinary action up to and including termination of employment.

Telephone and cell phone use

Employees are permitted to carry and use personal cell phones while at work unless such use causes disruptions or loss in productivity. During work hours personal cell phones shall be turned off or set to silent or vibrate. Excessive personal cell phone use may become subject to disciplinary action.

Employees may not make or receive calls by cell phone while operating company vehicles. Employees are expected to pull to the side of the roadway, into a parking lot or other safe location to respond to or make a phone call. Failure to follow this policy may result in disciplinary action up to and including termination.

2.8 Solicitations, Distributions and Posting of Materials

Lawrence prohibits the solicitation, distribution and posting of materials on or at company property by any employee or nonemployee, except as may be permitted by this policy. The sole exceptions to this policy are charitable and community activities supported by Lawrence management and company-sponsored programs related to Lawrence products and services.

Provisions:

- Nonemployees may not solicit employees or distribute literature of any kind on company premises at any time.
- Employees may only admit nonemployees to work areas with management approval or as part of a company-sponsored program. These visits should not disrupt workflow. An employee must accompany the nonemployee at all times.
- Employees may not solicit other employees during work times, except in connection with a company-approved or sponsored event.
- Employees may not distribute literature of any kind during work times or in any work area at any time, except in connection with a company-sponsored event
- The posting of materials or electronic announcements are permitted only with written approval from Human Resources.

Violations of this policy should be reported to Human Resources.

TIME OFF/LEAVES OF ABSENCE

3.1 Vacation Benefits

Regular, full-time employees are eligible to earn and use vacation time.

Vacation must be requested by completing a "Personal Time Off" request form. This form must be submitted to your supervisor for signature. A copy of this form must be given to the Payroll Department. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.

The length of eligible service is calculated on the basis of an "anniversary year." The anniversary year begins on the employee's date of hire and continues for a 12 month period. Vested vacation is earned on the employee's anniversary date.

For full time non-driver employees, the amount of paid vacation time employees receive each year increases with the length of their employment as shown in the following schedule:

- After 1 year of eligible service the employee is entitled to 5 vacation days.
- After 2 years of eligible service the employee is entitled to 10 vacation days each year.
- After 7 years of eligible service the employee is entitled to 15 vacation days each year.

Vacation days are paid at the employee's current wage. Vacation does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials. An employee's benefit year may be extended for any significant leave of absence except military leave of absence. Military leave has no effect on this calculation.

For full time driver employees, the amount of paid vacation time employees receive each year increases with the length of their employment as shown in the following schedule:

- Upon initial eligibility the employee is entitled to 0 vacation days each year.
- After 1 year of eligible service the employee is entitled to 5 vacation days each year.
- After 2 years of eligible service the employee is entitled to 10 vacation days each year.
- After 8 years of eligible service the employee is entitled to 15 vacation days each year.
- After 15 years of eligible service the employee is entitled to 20 vacation days each year.
(This benefit applies only to employees hired before October 1, 1986.)

Vacation time off is paid at \$675 per week. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

The length of eligible service is calculated on the basis of a "benefit year." This is the 12-month period that begins when the employee starts to earn vacation time. An employee's benefit year may be extended for any significant leave of absence except military leave of absence. Military leave has no effect on this calculation. (See individual leave of absence policies for more information.)

Once employees enter an eligible employment classification, they begin to earn paid vacation time according to the schedule. Earned vacation time is available for use in the year following its accrual.

Paid vacation time can be used in minimum increments of one day. To take vacation, employees should request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.

Vacation Carry Over

Eligible employees may carry over a maximum of 40 hours of vacation per anniversary year. Any carryover hours must be used within 90 days of the anniversary date or they will be forfeited.

Non-exempt employees

Paid vacation time may be used in minimum increments of one hour. To take vacation,

employees should request advanced approval from their supervisor. Requests will be reviewed based on business needs and staffing requirements.

Exempt employees

Paid vacation time must be used in minimum increments of eight hours. To take vacation, employees should request advanced approval from their supervisor. Requests will be reviewed based on business needs and staffing requirements.

3.2 Holiday Pay

Regular, full-time employees are eligible for holiday pay after completing their 90-day probationary period in an eligible employment classification. To be eligible for holiday pay, employees must work the last scheduled day immediately preceding the holiday and the first scheduled day immediately following the holiday. A recognized holiday that falls on a Saturday will be observed the preceding Friday. A recognized holiday that falls on a Sunday will be observed the following Monday.

Employees who are requested to work during a paid holiday will receive holiday pay plus regular pay.

Lawrence will grant holiday time off to all employees on the holidays listed below:

- New Year's Day (January 1)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Thanksgiving Day (fourth Thursday in November)
- Christmas Day (December 25)

If a recognized holiday falls during an eligible employee's paid absence such as vacation, holiday pay will be provided instead of the paid time off benefit that would otherwise have applied. Employees on unpaid leave will not be eligible for holiday pay.

Non-exempt: If eligible nonexempt employees work on a recognized holiday, they will receive holiday pay plus wages at their straight-time rate for the hours worked on the holiday.

Paid time off for holidays is not counted as productive hours for the purposes of determining overtime.

Drivers: Eligible full time driver employees will receive holiday pay at a rate of \$135 per holiday day. If an eligible full time driver works on a recognized holiday, they will receive holiday pay plus their regular wages for that day.

3.2a Floating Holidays

In addition to the six observed holidays, eligible employees receive two (2) floating holidays on each anniversary date. Floating holidays must be scheduled with the prior approval of the employee's supervisor. Employees must complete a PTO Request Form.

3.3 Family Medical Leave Act (FMLA)

The function of this policy is to provide employees with a general description of their FMLA rights. In the event of any conflict between this policy and the applicable law, employees will be afforded all rights required by law. If you have any questions, concerns or disputes with this policy, you must contact your immediate supervisor or the Human Resources department.

It is the policy and intent of Lawrence to comply with all federal and state FMLA laws and requirements. FMLA is to be provided by employers who have at least 50 employees for at least 20 weeks in the previous year.

General Provisions

Under this policy, Lawrence will grant up to 12 weeks (or up to 26 weeks of military caregiver leave to care for a covered service member with a serious injury or illness) during a 12-month period to eligible employees. The leave may be paid, unpaid or a combination of paid and unpaid leave, depending on the circumstances of the leave and as specified in this policy.

Eligibility

To qualify to take family or medical leave under this policy, the employee must meet the following conditions:

- The employee must have worked for the company for 12 months or 52 weeks. The 12 months or 52 weeks need not have been consecutive;
- The employee must have worked at least 1,250 hours during the previous 12 month period immediately before the date when the leave is requested to commence;
- Separate periods of employment will be counted, provided that the break in service does not exceed seven years;
- Separate periods of employment will be counted if the break in service exceeds seven years due to National Guard or Reserve military service obligations or when there is a written agreement, including a collective bargaining agreement, stating the employer's intention to rehire the employee after the service break;
- For eligibility purposes, an employee will be considered to have been employed for an entire week even if the employee was on the payroll for only part of a week or if the employee is on leave during the week.

The principles established under the Fair Labor Standards Act (FLSA) determine the number of hours worked by an employee. The FLSA does not include time spent on paid or unpaid leave as hours worked. Consequently, these hours of leave should not be counted in determining the 1,250 hours eligibility test for an employee under FMLA.

The employee must work in a work site where 50 or more employees are employed by the company within 75 miles of that office or work site. The distance is to be calculated by using available transportation by the most direct route.

Types of Leave Covered

To qualify as FMLA leave under this policy, the employee must be taking leave for one of the reasons listed below:

- The birth of a child and in order to care for that child;
- The placement of a child for adoption or foster care and to care for a newly placed child;
- To care for a spouse, child or parent with a serious health condition (Under the FMLA, a “spouse” means a husband or wife as defined under the law in the state where the employee resides, including same-sex marriages in states that legally recognize such civil unions).
- A serious health condition (described below) of the employee.

A serious health condition is defined as a condition that requires inpatient care at a hospital, hospice or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care or as a condition that requires continuing care by a licensed health care provider.

This policy covers illnesses of a serious and long-term nature, resulting in recurring or lengthy absences. Generally, a chronic or long-term health condition that would result in a period of three (3) consecutive days of incapacity with the first visit to the health care provider within seven days of the onset of the incapacity and a second visit within 30 days of the incapacity would be considered a serious health condition. For chronic conditions requiring periodic health care visits for treatment, such visits must take place at least twice a year.

Employees with questions about what illnesses are covered under this FMLA policy or under the company's sick leave policy are encouraged to consult with the Human Resource manager.

If an employee takes paid sick leave for a condition that progresses into a serious health condition and the employee requests unpaid leave as provided under this policy, the company may designate all or some portion of related leave taken as leave under this policy, to the extent that the earlier leave meets the necessary qualifications.

Qualifying exigency leave for families of members of the National Guard or Reserves or of a regular component of the Armed Forces when the covered military member is on covered active duty or called to covered active duty.

An employee whose spouse, son, daughter or parent has been notified of an impending call or order to covered active military duty or who is already on covered active duty may take up to 12 weeks of leave for reasons related to or affected by the family member’s call-up or service. The qualifying exigency must be one of the following: a) short-notice deployment, b) military events and activities, c) child care and school activities, d) financial and legal arrangements, e) counseling, f) rest and recuperation, g) post- deployment activities, and h) additional activities that arise out of active duty, provided that the employer and employee agree, including agreement on timing and duration of the leave.

Covered active duty means:

In the case of a member of a regular component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country.

In the case of a member of a reserve component of the Armed Forces, duty during the deployment of the member with the Armed Forces to a foreign country under a call or order to active duty under a provision of law referred to in Title 10 U.S.C. §101(a)(13)(B).

The leave may commence as soon as the individual receives the call-upnotice. (Son or daughter for this type of FMLA leave is defined the same as for child for other types of FMLA leave except that the person does not have to be a minor.) This type of leave would be counted toward the employee's 12-week maximum of FMLA leave in a 12-month period.

Military caregiver leave (also known as covered service member leave) to care for an injured or ill service member or veteran.

An employee whose son, daughter, parent or next of kin is a covered service member may take up to 26 weeks in a single 12-month period to take care of leave to care for that service member. Next of kin is defined as the closest blood relative of the injured or recovering service member. The term covered service member means:

- A member of the Armed Forces (including a member of the National Guard or Reserves) who is undergoing medical treatment, recuperation or therapy or is otherwise in outpatient status, or is otherwise on the temporary disability retired list, for a serious injury or illness.
- A veteran who is undergoing medical treatment, recuperation or therapy for a serious injury or illness and who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during the period of five years preceding the date on which the veteran undergoes that medical treatment, recuperation or therapy.

The term serious injury or illness means:

- In the case of a member of the Armed Forces (including a member of the National Guard or Reserves), an injury or illness that was incurred by the member in line of duty on active duty in the Armed Forces (or that existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that may render the member medically unfit to perform the duties of the member's office, grade, rank or rating.
- In the case of a veteran who was a member of the Armed Forces (including a member of the National Guard or Reserves) at any time during a period when the person was a covered service member, a qualifying (as defined by the Secretary of Labor) injury or illness that was incurred by the member in line of duty on an active duty in the Armed Forces (or that existed before the beginning of the member's active duty and was aggravated by service in line of duty on active duty in the Armed Forces) and that manifested itself before or after the member became a veteran.

Amount of Leave

An eligible employee may take up to 12 weeks for the first five FMLA circumstances above (under heading "Type of Leave Covered") under this policy during any 12-month period as long as the employee continues to meet the eligibility requirements. The company will measure the 12-month period as a rolling 12-month period measured backward from the date an employee uses any leave under this policy. Each time an employee takes leave, the company will compute the amount of leave the employee has taken under this policy in the last 12 months and subtract it from the 12

weeks of available leave, and the balance remaining is the amount of time the employee is entitled to take at that time.

An eligible employee can take up to 26 weeks for the FMLA military caregiver leave circumstance above during a single 12-month period. For this military caregiver leave, the company will measure the 12-month period as a rolling 12-month period measured forward.

FMLA leave already taken for other FMLA circumstances will be deducted from the total of 26 weeks available.

If a husband and wife both work for the company and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (but not a parent "in-law") with a serious health condition, the husband and wife may only take a combined total of 12 weeks of leave. If a husband and wife both work for the company and each wishes to take leave to care for a covered injured or ill service member, the husband and wife may only take a combined total of 26 weeks of leave.

Employee Status and Benefits during Leave

While an employee is on leave, the company will continue the employee's health benefits during the leave period at the same level and under the same conditions as if the employee had continued to work.

Employee Status after Leave

An employee who takes leave under this policy may be asked to provide a fitness for duty (FFD) clearance from the health care provider.

Use of Paid and Unpaid Leave

All paid vacation, personal and sick leave runs concurrently with FMLA leave.

Disability leave for the birth of a child and for an employee's serious health condition, including workers' compensation leave (to the extent that it qualifies), will be designated as FMLA leave and will run concurrently with FMLA.

Intermittent Leave or a Reduced Work Schedule

The employee may take FMLA leave in 12 consecutive weeks, may use the leave intermittently (take a day periodically when needed over the year) or, under certain circumstances, may use the leave to reduce the workweek or workday, resulting in a reduced-hour schedule. In all cases, the leave may not exceed a total of 12 workweeks (or 26 workweeks to care for an injured or ill service member over a 12-month period).

Certification Required for Employee/Family Member/Qualifying Exigency for Military Serious Health Condition

Lawrence will require certification for the employee's serious health condition. The employee must respond to such a request within 15 days of the request or provide a reasonable explanation for the delay. Failure to provide certification may result in a denial of continuation of leave.

Recertification

Lawrence may request recertification for the serious health condition of the employee or the

employee's family member when circumstances have changed significantly, or if the employer receives information casting doubt on the reason given for the absence, or if the employee seeks an extension of his or her leave. Otherwise, the company may request recertification for the serious health condition of the employee or the employee's family member every six months in connection with an FMLA absence.

Procedure for Requesting FMLA Leave

All employees requesting FMLA leave must provide the Human Resources (HR) manager with verbal or written notice of the need for the leave. Within five business days after the employee has provided this notice, the HR manager will provide the employee with the DOL Notice of Eligibility and Rights.

When the need for the leave is foreseeable, the employee must provide the employer with at least 30 days' notice. When an employee becomes aware of a need for FMLA leave less than 30 days in advance, the employee must provide notice of the need for the leave either the same day or the next business day. When the need for FMLA leave is not foreseeable, the employee must comply with the company's usual and customary notice and procedural requirements for requesting leave.

Designation of FMLA Leave

Within five (5) business days after the employee has submitted the appropriate certification form, the HR manager will provide the employee with a written response to the employee's request for FMLA leave.

Intent to Return to Work from FMLA Leave

Lawrence may require an employee on FMLA leave to report periodically on the employee's status and intent to return to work.

Personal Leave of Absence

Employees who require time off in addition to vacation may request a personal leave of absence without pay for up to a maximum of 30 days. An extension may be approved in limited circumstances.

All regular, full-time employees employed for a minimum of 90 days are eligible to apply for an unpaid personal leave of absence. Job performance, absenteeism and departmental requirements will all be taken into consideration before a request is approved. The employee must return to work on the scheduled return date or be considered to have voluntarily resigned from his or her employment. Extensions of leave will only be considered on a case-by-case basis.

Please contact Human Resources for more information on request procedures.

3.4 Bereavement Leave

Regular, full-time employees are eligible for bereavement pay after completing their 90-day probationary period in an eligible employment classification. An employee who wishes to take time off due to the death of an immediate family member should notify his or her supervisor immediately. Bereavement leave will be granted unless there are unusual business needs or staffing requirements.

Paid bereavement leave is granted according to the following schedule:

- Employees are allowed up to three days of paid leave in the event of the death of a spouse, child, father, mother, brother, sister, stepfather, stepmother, stepbrother, stepsister, stepson or stepdaughter.
- Employees are allowed up to two days of paid leave in the event of the death of a father-in-law, mother-in-law, brother-in-law, sister-in-law, son-in-law, daughter-in-law, aunt, uncle, grandparent, grandchild or spouse's grandparent.
- Employees are allowed up to four hours of bereavement leave to attend the funeral of an employee or retiree of the company.

3.5 Jury Duty

Regular, full-time employees who have completed a minimum of 90 calendar days of service in an eligible classification may request up to 2 weeks of paid jury duty leave over any 2 year period. Upon receipt of notification from the state or federal courts of an obligation to serve on a jury, employees must notify their supervisor and provide a copy of the jury summons. The company will pay regular full-time employees for time off for jury duty up to five (5) days of pay.

Jury duty pay will be calculated on the employee's base pay rate times the number of hours the employee would otherwise have worked on the day of absence. Lawrence will pay the difference between the employee's regular pay and the jury duty pay.

If employees are required to serve jury duty beyond the period of paid jury duty leave, they may use any available paid time off (for example, vacation benefits) or may request an unpaid jury duty leave of absence.

Lawrence will continue to provide health insurance benefits for the full term of the jury duty absence. Vacation and holiday benefits continue to accrue during unpaid jury duty leave.

3.6 Voting Leave

3.6a Voting for federal elections

All employees should make every effort to vote either before or after regularly assigned work hours. When this is not possible due to work schedules, employees will receive up to three hours of paid time during the work day to vote. Time off for voting should be reported and coded appropriately on timekeeping records.

3.6 b Election Officials

Employees who are chosen to serve as election officials at polling sites will be permitted to take unpaid required time off to serve in this capacity. It is incumbent on employees who are chosen to act as election officials to notify their manager a minimum of seven days in advance of their need for time off in order to accommodate the necessary rescheduling of work periods. Time engaged as an election official should be reported and coded appropriately on timekeeping records.

3.7 Parental Leave for School Visits

Lawrence provides employees who are parents, guardians, or custodians of children in licensed day care facilities or kindergarten through grade 12 unpaid time off for the purpose of school visits. Parental leave for school visits allows employees to participate in activities sponsored, approved, or supervised by the school or daycare such as parent/teacher conferences or field trips.

Employees may request up to 16 hours of parental leave for school visits within any calendar year. Any available paid leave may be substituted for unpaid leave for school visits. Employees must provide their immediate supervisors reasonable advance notice of the need for parental leave for school visits.

3.8 Military Leave of Absence

Lawrence is committed to protecting the job rights of employees absent on military leave. In accordance with federal and state law, it is the company's policy that no employee or prospective employee will be subjected to any form of discrimination on the basis of that person's membership in or obligation to perform service for any of the Uniformed Services of the United States. Specifically, no person will be denied employment, reemployment, promotion or other benefit of employment on the basis of such membership. Furthermore, no person will be subjected to retaliation or adverse employment action because such person has exercised his or her rights under applicable law or company policy. If any employee believes that he or she has been subjected to discrimination in violation of company policy, the employee should immediately contact Human Resources.

Employees taking part in a variety of military duties are eligible for benefits under this policy. Such military duties include leaves of absence taken by members of the uniformed services, including Reservists and National Guard members, for training, periods of active military service and funeral honors duty, as well as time spent being examined to determine fitness to perform such service. Subject to certain exceptions under the applicable laws, these benefits are generally limited to five years of leave of absence.

Employees requesting leave for military duty should contact Human Resources as soon as they are aware of the need for leave. For request forms, detailed information on eligibility, employee rights while on leave and job restoration upon completion of leave, refer to the policies, procedures and forms provided by Human Resources.

3.9 Lactation/Breastfeeding

For up to one year after a child's birth, any employee who is breastfeeding her child will be provided reasonable break times as needed to express breast milk for her baby. Lawrence will designate a location for this purpose upon request. Employees storing milk in any company refrigerator assume all responsibility for the safety of the milk and the risk of harm for any reason, including improper storage or refrigeration, tampering or disposal. Breaks of more than 20 minutes in length will be unpaid, and the employee should indicate this break period on her time record.

BENEFITS

Lawrence currently provides a variety of benefits to its qualified employees. Any such benefits plans or descriptions are subject to change at any time in the sole and absolute discretion of Lawrence. Lawrence will notify employees of any changes in any of its benefits plans in a timely manner or as required.

4.1 Medical and Dental Insurance

Lawrence currently offers regular, full-time employees regularly scheduled to work a minimum of 30 hours per week enrollment in medical and dental insurance coverage options after they have been employed for 60 days.

Employees have up to 60 days from their date of hire to make medical and dental plan elections. Once made, elections are fixed for the remainder of the plan year. Employees may make midyear changes to their plan if/when a qualifying life event occurs. Examples of qualifying events are 1) birth or adoption of a child, 2) change in marital status, 3) loss of other coverage. Changes to the plan are granted subject to conditions defined in the Summary Plan Document (SPD). Please contact the Human Resource department to determine if a change qualifies.

At the end of each calendar year during open enrollment, employees have opportunity to change medical and dental elections for the following calendar year.

A change in employment classification that would result in loss of eligibility to participate in the health and dental insurance plan may qualify an employee for benefits continuation under the Consolidated Omnibus Budget Reconciliation Act (COBRA). Refer to the Benefits Continuation (COBRA) policy for more information.

4.2 Same-Sex Marriages, Civil Unions and Domestic Partners

Company registration of a domestic partnership will be required for coverage under company benefits. An employee who wishes to register a domestic partnership must contact the Human Resource department for information and the registration form. Upon receipt of a properly completed form, the department will consider the partnership registered as of the date on the form's signature line.

An employee may terminate a domestic partnership by notifying Human Resources in writing of the termination of the domestic partnership within 30 days of its termination.

Same-sex marriages/Civil Unions are persons who:

- Are at least 18 years of age and of the same of the same biological gender
- Have participated in a legally recognized marriage or civil union ceremony in a state which legally allows and recognizes same-sex marriages/civil unions.

Domestic partners are persons who:

- Are at least 18 years of age and of the same gender.

- Are not legally married to any person and are not related in any way that would prohibit marriage in the company's state of operation.
- Share permanent residence.

Domestic partners must have two of the following:

- Joint lease, mortgage or deed.
- Joint ownership of a vehicle.
- Joint ownership of a checking account or credit account.
- Designation of the domestic partner as beneficiary for the employee's life insurance or retirement benefits.
- Shared household expenses.

The tax consequences of a domestic partnership are the responsibility of the employee. The value of benefits provided to an employee's domestic partner (and to the domestic partner's eligible children, if any) is considered part of the employee's taxable income, unless the employee's domestic partner qualifies as a dependent under Section 152 of the Internal Revenue Code.

Questions regarding this policy should be directed to the Human Resource department.

4.3 Flexible Spending Accounts

Lawrence currently offers regular, full-time employees the opportunity to participate in employee-funded flexible spending accounts (FSA): Medical Reimbursement Account and Dependent Care Account.

Each calendar year a maximum contribution amount is set by the Internal Revenue Service. Employees may designate an amount which is made by payroll deduction on a pre-tax basis. Funds may be used for eligible health care and/or dependent or elder care expenses. An amount of up to \$500.00 may be rolled into the following year. (Effective 01/01/2014) Any remaining amounts exceeding \$500.00 are forfeited.

4.4 Group Term-Life Insurance

Regular full-time employees who have met the 60-day probationary period are eligible for employer-paid group term life and accidental death and dismemberment policy. Accidental Death and Dismemberment (AD&D) insurance provides protection in cases of serious injury or death resulting from an accident. AD&D insurance coverage is provided as part of the group term life insurance plan. Each policy pays a death benefit of \$25,000.00.

4.5 Voluntary Insurance Coverage

Regular, full-time employees are eligible to purchase voluntary life insurance subject to all terms and conditions of the agreement between Lawrence and the insurance carrier. Insurance premiums are deducted from the employee's paycheck according to their pay schedule. Coverage for employee spouses and/or children is available, subject to the terms and conditions of the insurance carrier. Employees have the option to continue coverage(s) after termination of employment, subject to the terms of continuation with the carrier.

4.5a Short-Term Disability Benefits

Regular, full-time employees are eligible to purchase short-term disability insurance that provides partial pay for employees who are unable to work due to illness, injury or disability not related to work. Employees will not be able to return to work without submitting to Human Resources a note from a physician or licensed health care professional authorizing the employee's return.

4.5b Long-Term Disability Benefits

Regular, full-time employees are eligible to purchase long-term disability insurance that provides partial pay for employees who are unable to work due to illness, injury or disability not related to work. Employees will not be able to return to work without submitting to Human Resources a note from a physician or licensed health care professional authorizing the employee's return.

4.5c Accident Insurance

Regular, full-time employees are eligible to purchase accident insurance that provides a benefit when a covered injury is suffered and treatment is required. Coverage for employee spouses and/or children is also available. The types of accidents/injuries covered are subject to the terms and conditions of the insurance carrier.

4.6 Retirement 401(k) Savings Plan

Full time and part-time employees who have been with Lawrence for a period of 90 days and are 18 years of age or older may participate in the 401(k) Plan. The Plan allows employees to elect a percentage of salary to contribute and direct the investment of your plan account. Contributions with the 401(k) are deducted pre-tax (before federal and state tax withholdings are calculated); contributions to Roth are deducted after taxes are calculated. All contributions are payroll deducted.

4.6a Employer matching contribution

Lawrence offers a company match of 50% up to the contribution rate of 4%.

4.6b Automatic Enrollment

New employees are automatically enrolled at a rate of 3% of gross pay. This rate increases each anniversary year at a rate of 1% until a maximum of 6% is reached.

Employees may enroll at a rate or terms other than that stated in Automatic enrollment.

Employees may opt-out of automatic enrollment by completing and returning the 401(k) Enrollment Form.

Further details about the Plan may be obtained from the Human Resources department and are stated in the 401(k) Summary Plan Description (SPD).

4.8 Workers' Compensation

Employees who sustain any work-related injuries or illnesses should inform their supervisor immediately. Lawrence provides a comprehensive workers' compensation insurance program. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers'

compensation insurance provides benefits after a short waiting period. In the event the employee is hospitalized, benefits are immediate.

Neither Lawrence nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by Lawrence.

4.9 Benefits Continuation (COBRA)

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance and life insurance coverage under Lawrence when a "qualifying event" would normally result in the loss of eligibility. Some common qualifying events are: resignation, termination of employment, death of an employee, a reduction in an employee's hours or leave of absence, an employee's divorce or legal separation, or a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary pays the full cost of coverage at Lawrence's group rates plus an administration fee.

4.10 Educational Assistance

Regular, full-time employees who have completed the 90-day probationary period in an eligible employment classification are eligible for educational assistance. To maintain eligibility employees must remain on the active payroll, perform their job satisfactorily through completion of each course, and maintain at least a 3.0 (B) average. Employees will then be reimbursed for fifty (50) percent of the cost of tuition only.

Individual courses or courses that are part of a degree, licensing, or certification program must be related to the employee's current job duties or a foreseeable-future position in the organization in order to be eligible for educational assistance. Lawrence has the sole discretion to determine whether a course relates to an employee's current job duties or a foreseeable-future position.

Lawrence cannot guarantee that participation in formal education will entitle the employee to automatic advancement, a different job assignment, or pay increases. Employees may contact Human Resources for more information or questions about educational assistance.

COMPENSATION

5.1 Time Reporting

Accurately recording time worked is the responsibility of every employee. If corrections or modifications are made to the time record, both the employee and the supervisor must verify the accuracy of the changes by initialing the time record. Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination of employment. All time spent working must be recorded and reported. Working "off the clock" is strictly prohibited and may result in disciplinary action, up to and including termination of employment.

Reporting to work: Employees should report to work no more than 15 minutes prior to their scheduled starting time and end their scheduled work shift no more than 15 minutes after their scheduled stop time without expressed, prior authorization from their supervisor. Non-exempt employees should also record the beginning and end time of any split shift or departure from work for personal reasons.

5.2 Payment of Wages

Employees are paid through direct deposit or by paper check to a savings or checking account at a financial institution of their choice. A form must be completed, signed and returned to payroll to authorize direct deposit.

Pay Cycles

- Weekly – Employees are paid each Friday. The pay period runs Sunday at 12:01 AM through the following Saturday at 12:00 AM. Each pay cycle runs 14 calendar days behind.
- Biweekly – Employees are paid every other Friday. The pay period begins on Sunday and runs 14 calendar days ending on Saturday. Each pay cycle runs six days behind.
- Semi-monthly – Employees are paid on the 15th and the last day of each month.

NOTE: If the normal payday falls on a Saturday, Sunday or company-recognized holiday, paychecks will be distributed or deposited one workday before the aforementioned schedule.

Accessing payroll information online

The Payroll department must activate your online access. Once activated, employees may view current and historical paystubs by visiting the employer website at: www.Lawrencetrans.com and select the “Alliance” employee portal at the top of the screen.

Lost paychecks

All employees are encouraged to use Direct Deposit. In the event of a lost paper check, the Payroll department should be notified as soon as possible. Payroll will stop payment on a paper check and reissue five (5) working days past the date of issue.

Employment taxes

The law requires that Lawrence make deductions from every employee's compensation to include applicable federal, state, local income taxes and social security taxes. If an employee wishes to change the number of exemptions or marital status on a W-4, a new Form W-4 must be submitted to the Payroll department.

Wages and Termination of employment

State law dictates the time an employer has to produce a final paycheck in the event of termination. Employees will receive their final paycheck on the next payday following the date of termination or within 20 days, whichever comes first.

5.3 Administrative Pay Corrections

Lawrence takes all reasonable steps to ensure that employees receive the correct amount of pay in each paycheck and that employees are paid promptly on the scheduled payday.

In the unlikely event that there is an error in the amount of pay, the employee should promptly bring the discrepancy to the attention of the Chief Financial Officer so that corrections can be made as quickly as possible.

5.4 Meal/Rest Periods

The scheduling of meal periods at Lawrence is set by the employee's immediate manager with the goal of providing the least possible disruption to company operations. Non-exempt employees should accurately record the beginning and end time of each meal period.

Mandatory Meal Period

Employee meal periods are important to company productivity and employee health. Employees who work at least eight consecutive hours will be provided a meal break not to exceed 60 minutes.

Non-exempt employees are to be completely relieved of all job duties while on meal breaks and must clock out for meal periods. The meal period is not to be included in the total hours of work per day and is not compensable.

Breaks

Non-exempt employees are permitted a 15-minute break for each four consecutive hours of work. Non-exempt employees are not required to clock in and clock out because this time is considered "time worked" and is compensable.

Neither the lunch period nor the break(s) may be used to account for an employee's late arrival or early departure or to cover time off for other purposes. For example, breaks may not be accumulated to extend a meal period nor may breaks be combined to allow one half-hour long breaks.

5.5 Overtime Pay (nonexempt employees)

During busy periods employees may be required to work extended hours. Non-exempt employees who exceed 40 hours of work time in a workweek will be paid time and one half. Paid leave, such as holiday, sick or vacation pay, does not apply toward the accrual of overtime hours.

Employees who anticipate the need for overtime must notify their supervisor in advance and obtain approval before working hours that extend beyond their normal schedule.

On-Call pay

An employee will receive a payment \$30.00 when the employee is called in to work.

Employees are paid for a minimum of one hour of on-call pay at the rate of one and one half times their regular rate of pay.

Employees receive the rate of one and one half times their regular rate of pay for each additional hour of work performed while on call.

Travel & Reimbursement

Travel for employees must be authorized in advance. All employees should verify that company travel is eligible for reimbursement before making travel arrangements.

Within 30 days of company travel, the employee must complete and submit a Travel Reimbursement Form and supporting documentation to obtain reimbursement of expenses. Employees will be reimbursed for mileage at the standard rates set forth by the Internal Revenue Service.

Exempt employees will be paid their regular salary for weeks in which they travel. Nonexempt employees will be paid for travel time in accordance with federal and state wage payment laws.

5.6 Employee Referral Policy

Employee eligibility

Regular, full-time employees and regular, part-time employees may be eligible to receive a referral bonus when referring candidates for employment. This policy excludes managers with hiring authority, Human Resources personnel, and Vice President levels and above.

New candidates must be introduced to the hiring manager with a Candidate Referral Form and a resume or employment application. The referring employee must submit their name along with the Candidate Referral Form. In the event multiple referrals are received for the same candidate, the first Referral Form received will take precedence. The hiring of a referred employee must occur within 180 days of the initial referral date.

All referral bonus payments will be paid AFTER the referred employee has been actively employed with Lawrence for a period of 90 days.

Referral eligibility

The referral must represent the candidate's first contact with Lawrence. Temporary, summer, contract and former employees of Lawrence are not eligible referral bonus candidates. All candidates will be evaluated for employment consistent with Lawrence policies and procedures. Any information regarding the hiring decision will remain strictly confidential.

WORKPLACE SAFETY

6.1 Drug-Free Workplace

Alcohol and drug abuse pose a threat to the health and safety of employees and to the security of our equipment and facilities. Lawrence is committed to the elimination of drug and/or alcohol use and abuse in the workplace. Employees should report to work fit for duty and free of any adverse effects of illegal drugs or alcohol.

This policy outlines the practice and procedure designed to correct instances of identified alcohol and/or drug use in the workplace. This policy applies to all employees and all applicants for employment of Lawrence.

Employee Assistance and Drug-Free Awareness

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

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

Work Rules

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

- Using, possessing, buying, selling, manufacturing or dispensing an illegal drug (to include possession of drug paraphernalia).
- Being under the influence of alcohol or an illegal drug as defined in this policy.
- The presence of any detectable amount of any illegal drug or illegal controlled substance in an employee's body while performing company business or while in a company facility.
- Taking prescribed drugs that are adversely affecting the employee's ability to safely and effectively perform their job duties. Employees taking a prescribed medication must carry it in the container labeled by a licensed pharmacist or be prepared to produce it if asked.

Any illegal drugs or drug paraphernalia will be turned over to an appropriate law enforcement agency and may result in criminal prosecution.

Required Testing

The company retains the right to require the following tests:

Pre-employment: Some positions at Lawrence require applicants to pass a drug test before beginning work or receiving an offer of employment. Refusal to submit to testing will result in disqualification of further employment consideration.

Reasonable suspicion: Employees are subject to testing based on observations by a supervisor of apparent workplace use, possession or impairment. Human Resources and/or the Safety Department must be consulted before sending an employee for reasonable suspicion testing.

Post-accident: Employees are subject to testing when they cause or contribute to accidents that seriously damage a company vehicle, machinery, equipment or property and/or result in an injury to themselves or another employee requiring off-site medical attention. In any of these instances, the investigation and subsequent testing must take place within two (2) hours following the accident, if not sooner.

Follow-up: Employees who have tested positive or otherwise violated this policy, are subject to discipline up to and including termination. Depending on the circumstances and the employee's work history/record, Lawrence may offer an employee who violates this policy or tests positive the opportunity to return to work on a last-chance basis pursuant to mutually agreeable terms, which could include follow-up drug testing at times and frequencies for a minimum of one (1) year but not more than two (2) years. If the employee either does not complete his/her rehabilitation program or tests positive after completing the rehabilitation program, he/she will be subject to immediate termination of employment.

Consequences

Applicants who refuse to cooperate in a drug test or who test positive will not be hired. Employees who refuse to cooperate in required tests or who use, possess, buy, sell, manufacture or dispense an illegal drug in violation of this policy will be terminated. The first time an employee tests positive for alcohol or illegal drug use under this policy, the result will be discipline up to and including discharge.

Confidentiality

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

Inspections

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

Crimes Involving Drugs

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

6.2 Smoke-Free Workplace

Smoking is permitted in parking lots only.

The smoke-free workplace policy applies to:

- All areas of company buildings.
- All company-sponsored off-site conferences and meetings.
- All vehicles owned or leased by the company.

- All visitors (customers and vendors) to the company premises.
- All contractors and consultants and/or their employees working on the company premises.
- All employees, temporary employees and student interns.

Employees who violate the smoking policy will be subject to disciplinary action.

6.3 Workplace Bullying

The purpose of this policy is to communicate to all employees, supervisors, managers and executives, that the company will not tolerate bullying behavior. Employees found in violation of this policy will be disciplined up to and including termination. Lawrence defines bullying as “repeated inappropriate behavior, either direct or indirect, whether verbal, physical or otherwise, conducted by one or more persons against another or others, at the place of work and/or in the course of employment.”

Bullying may be intentional or unintentional. However, it must be noted that where an allegation of bullying is made, the intention of the alleged bully is irrelevant and will not be given consideration when administering discipline. As in sexual harassment, it is the effect of the behavior upon the individual that is important. Lawrence considers the following types of behavior examples of bullying:

Verbal bullying: Slandering, ridiculing or maligning a person or his/her family; persistent name calling that is hurtful, insulting or humiliating; using a person as the butt of jokes; abusive and offensive remarks.

Physical bullying: Pushing, shoving, kicking, poking, tripping, assault or threat of physical assault; damage to a person’s work area or property.

Gesture bullying: Nonverbal threatening gestures or glances that convey threatening messages.

Exclusion: Socially or physically excluding or disregarding a person in work-related activities.

6.4 Violence in the Workplace

Lawrence is committed to preventing workplace violence and to maintaining a safe work environment. All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of Lawrence without proper authorization.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public at any time, including off-duty periods, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's sex, race, age, or any characteristic protected by federal, state, or local law.

All threats of or actual violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of management. This includes threats by

employees, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible.

All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your work station, do not try to intercede or see what is happening.

Lawrence will promptly and thoroughly investigate all reports of threats of or actual violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical. In order to maintain workplace safety and the integrity of its investigation, Lawrence may suspend employees, either with or without pay, pending investigation.

Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

Lawrence encourages employees to bring their disputes or differences with other employees to the attention of their supervisors or the Human Resource Department before the situation escalates into potential violence. Lawrence is eager to assist in the resolution of employee disputes, and will not discipline employees for raising such concerns.

6.5 Workplace Safety

It is the responsibility of each employee to conduct all tasks in a safe and efficient manner complying with all local, state and federal safety and health regulations and program standards, and with any special safety concerns for use in a particular area or with a client.

Although most safety regulations are consistent throughout each department and program, each employee has the responsibility to identify and familiarize her/himself with the emergency plan for his/her working area. Each facility shall have posted an emergency plan detailing procedures in handling emergencies such as fire, weather-related events and medical crises.

It is the responsibility of the employee to complete an Accident and Incident Report for each safety and health infraction that occurs by an employee or that the employee witnesses. Failure to report such an infraction may result in employee disciplinary action, including termination.

Furthermore, management requires that every person in the organization assumes the responsibility of individual and organizational safety. Failure to follow company safety and health guidelines or engaging in conduct that places the employee, client or company property at risk can lead to employee disciplinary action and/or termination.

The Health and Safety Committee and the safety director shall have the responsibility to develop and the authority to implement the safety and health program in the interest of a safer work environment.

6.6 Visitors in the Workplace

To provide for the safety and security of employees and the facilities at Lawrence, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

Because of safety and security reasons, family and friends of employees are discouraged from visiting. In cases of emergency, employees will be called to meet any visitor outside their work area.

All visitors should enter Lawrence at the main entrance. Authorized visitors will receive directions or be escorted to their destination. Employees are responsible for the conduct and safety of their visitors.

If an unauthorized individual is observed on Lawrence's premises, employees should immediately notify their supervisor or, if necessary, direct the individual to the main entrance.