



DISCIPLINE PROGRAM

Number: 1.9	Date of Issue: 04/01/2017
Section: HSE Management Principles	Date of Revision:

PURPOSE

The disciplinary system does not exist primarily to punish employees. The disciplinary program/policy exists primarily to control the work environment so that workers are protected and accidents are prevented. A disciplinary system helps ensure workplace safety and health by letting company employees know what is expected of them. It provides workers with opportunities to correct their behavior before an accident happens.

A disciplinary system is one of the keys to successfully implementing the Company's safety and health program. It ensures that the Company's rules and safety working practices are taken seriously by employees and are followed. It lets employees know how the Company expects them to operate in relation to the goals of the Company's safety and health program. In addition, it lays out the actions the Company will take if individuals do not meet the Company's expectations. The employee's immediate supervisor and all members of management are responsible for the enforcement of this disciplinary program.

SCOPE

For the purposes of this document, "employees" include any agency or leased laborers under direct supervision of the Company where we collect and report their man-hours.

POLICY

Employees need to know the Company's position on safety and health and what the Company expects of them. They need a clear understanding of the rules and the consequences of breaking those rules. This is true in all areas of work, but it is especially important for worker safety and health. As part of this policy statement, and in the employee safety handbook, the Company has a written statement setting forth the Company's disciplinary program/policy. Company managers and supervisors will always be on the lookout for safety violations and will stringently enforce the Company's commitment to safety.

Like most companies, Rival is an at-will employer. This means you or the Company can choose to terminate the employment relationship at any time, with or without cause, and with or without notice. Only the owner of the Company has the authority to change the at-will relationship, and any such change must be in writing, signed by the owner of the Company.

SAFETY, HEALTH, AND ENVIRONMENTAL POLICY



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Our Company is committed and concerned about protecting your safety and health. However, the Company cannot be successful in this area without the employee's active participation. As a company, we conduct operations that are and can be potentially hazardous. It is each employee's responsibility to ensure that these operations are handled in accordance to our Safety Programs/Policies, and to comply with all safety and environmental protection policies and statutes.

As a result, the Company mandates the following:

1. If you notice any potential or existing hazards or unsafe conditions, report them immediately to your supervisor. All potential hazards will be reported to the employee's direct Supervisor, then to the Safety Department if an investigation is needed.
2. If an accident occurs, or you are injured on the job, the incident must be reported immediately to your direct supervisor. All accidents and injuries will be reported to the Safety Department, who will then notify the owner of the Company.

With all employees conscientiously following this policy, we protect the health and safety of employees, customers, the community and the environment with which we work in. Our company strives to continue its reputations as a good citizen and industry leader in the community that we work in.

SAFETY, HEALTH, AND ENVIRONMENTAL GUIDELINES

Our company is committed to conducting its operations in a manner that minimizes risk to the safety and health of employees, customers, the public and the environment. Under our policy/program:

- Employees shall consider safety when performing all assignments, and will continually strive to eliminate unnecessary operating hazards, reduce risk and conduct work activities in compliance with all requirements.
- To report an accident or incident, contact your Direct Supervisor immediately, or call the company administration office at 970-867-9437. You may also call the Owner, Jeff Schneider at 970-381-9588, or the Safety Administrator at 970-441-0625.
- Workplaces will be monitored to ensure that safe operating conditions are maintained.
- Personal Protective equipment will be provided and must be used.
- Procedures used by our employees, and where applicable, our customers, will be evaluated with the goal of ensuring safe practices.



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- Company management will conduct periodic worksite inspections. Inspections will be done of the entire location, all applicable work areas to ensure safety rules are followed and compliance with safety policies and all applicable rules of the company.
- Accidents and Incidents will be investigated immediately, with action taken promptly to prevent recurrence.
- Engineering controls, careful operating practices and continual training and education of employees and customers will be employed to minimize any unsafe conditions.

TRAINING

All employees are provided with this Disciplinary Program/Policy upon completion of hiring. Follow-up Training will be provided if Program/Policy is changed or altered. It is important that employees understand the system and reference this Program/Policy if they have any questions, or ask their immediate Supervisor.

DISCIPLINE AND TERMINATION

To ensure that fair and impartial treatment is administered, the Company uses a four-category procedure in applying disciplinary action for violations of company policies and procedures. The degree of penalty shall be based upon relative factors such as past record, length of service, severity of offense and any aggravating or mitigating circumstances.

By establishing these categories, the Company is not relinquishing or limiting its managerial right to terminate employment for any or no reason at all, at any time, with or without notice, with or without cause. Company management reserves the right to assess the proper disciplinary action at any time, up to and including termination if it is deemed appropriate to do so. The four-category approach is used as a guideline only, and disciplinary steps can be assessed by going directly to termination at any time.

If you receive disciplinary action as an employee of the company, you are required to sign the accompanying documentation to acknowledge receipt of such action.

The categories of progressive discipline are defined as follows:

- **Category One – Verbal Counseling:** Your supervisor provides documented verbal coaching, instruction, and/or feedback concerning inappropriate behavior or job performance on your part, and corrective measures you are expected to take within an appropriate time frame. The documentation shall be signed by you at the time the category one warning is given.



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- **Category Two – Written Warning:** Your supervisor provides WRITTEN DOCUMENTATION related to your inappropriate behavior, or inadequate or improper job performance that has occurred for a second time, or is of a more serious nature than category one would require. You or your supervisor shall come to a mutual understanding of expectations for improvement within an appropriate time frame, and this shall be documented and signed by you at the time the category two written warning is given.
- **Category Three – Written Notice of Probation or Suspension:** Your supervisor provides written notification of probation status to you, giving instruction and/or feedback concerning inappropriate behavior and/or unsatisfactory performance that has occurred for a third time or is of a more serious nature than a category two would require. Your supervisor will advise you that termination may occur should you fail to improve behavior and/or performance within a specified time frame. A category three written notice may also involve a disciplinary suspension, with or without pay, to be determined at the discretion of your direct supervisor. In cases involving serious misconduct, safety violations, policy violations, law violations, etc., you may be suspended with or without pay until an investigation has been conducted. This shall be documented and signed by you at the time the category three written warning is given.
- **Category Four – Termination:** Your direct supervisor with the concurrence of the owner of the company may terminate you for serious violations of policy or if prior disciplinary actions did not successfully change your inappropriate behavior or unsatisfactory performance. This shall be documented and signed by you at the time the termination decision is rendered.

These four disciplinary categories need not be followed in any progressive order or any particular manner. Termination may occur following a verbal counseling, written warning or written notice of probation, but in some cases of serious or multiple infractions, immediate termination could occur without going through any or all the other categories. Receiving any discipline in any category on two or more offenses is sufficient grounds for application of category four immediate termination.

IMMEDIATE TERMINATION

The following list of offenses and/or misconduct is not all inclusive, but illustrates the types of misconduct, offenses and/or violations that may result in immediate termination.

1. Fraud, Dishonesty or theft (either attempted or accomplished).
2. Insubordinate acts or statements toward any management representative or supervisor.



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3. Making intentional misrepresentations to company management or governmental or regulatory agencies (in response to a lawful request for information or during a lawful investigation).
4. Embezzlement.
5. Conviction of a Felony or any crime whether or not a felony, involving moral turpitude.
6. Unauthorized possession or weapons, firearms or explosive on company premises.
7. Representing the company publicly (including to a third party) without authorization, publicly misrepresenting the company (including to a third party), or misrepresenting your authority on behalf of the company publicly (including to a third party).
8. Excessive unexcused Absenteeism.
9. Excessive unexcused Tardiness.
10. Unexcused absence from work without notice defined by the company.
11. Use of abusive language or obscene gestures while on duty or in the furtherance of the business of the company.
12. Accepting gratuities or tips in cash or in-kind from customers or vendors (or their relatives or visitors) or failing to report receiving a gift from a customer or vendor valued at more than \$100.00.
13. Soliciting or accepting kickbacks, bribes, or personal payments or loans, from a customer or vendor.
14. Threatening customers, contractors, vendors or their employees or representatives.
15. Violation of confidentiality and/or the disclosure to third parties (outside the company) of confidential or proprietary information or company trade secrets, without the written authorization of the President of the company.
16. Misuse of the time clock or work record, including punching in or out for another employee.
17. Violation of company Harassment Policy.
18. Willful or intentional destruction of company property or destruction of such property due to neglect or carelessness.



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19. Willful or intentional carelessness or neglect in the performance of your duties.
20. Violation of the company Substance Abuse Policy (Drug(s) and/or Alcohol).
21. Violation of the company Health, Safety & Environmental policies, including poor job performance which violated said policies.
22. Violation of the company Workplace Violence Policy.
23. Failure to produce an employment authorization document (EAD) when required or requested.
24. Repeated failure to attend meetings or training required by the company.
25. Intentionally or recklessly causing or creating hazardous or unsafe conditions endangering the health and/or safety of self, co-workers, customers, vendors and/or the general public.
26. Drinking alcohol, and/or drug abuse prior to or during working hours.
27. Theft.
28. Failure to wear basic Personal Protective Equipment (Eye protection, hearing protection, hard hats, gloves, steel toe boots).
29. Not using a safety harness and lanyards when there is a potential for falling.
30. Removing and/or making inoperative safety guards on tools and equipment.
31. Tampering with machine safeguards or removing machine tags or locks.
32. Removing barriers and or guardrails and not replacing them.
33. Failure to follow recognized industry safety practices.
34. Failure to follow rules regarding the use of company equipment or materials.
35. Major traffic violations while using a company vehicle.
36. Failure to notify the Company of a hazardous situation.
37. Other major violations of company rules or policies.



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38. Immediate termination can result from any health or safety infractions deemed to be potentially life threatening, or a serious hazard to the company, client, outside contractors, or the environment.

If you are terminated, you are not allowed to return to Company property without permission of your direct supervisor, or the owner of the company. Employees who have been terminated from the company are prohibited from visiting or communicating with company employees while they are on the job. Violations of this policy may result in involvement of local law enforcement officials or legal action against the former employee.

If you are terminated, you are not eligible for payment of certain benefits, including vacation, sick pay and safety bonus, or as defined by Company management, with the exception of benefits defined and required to be paid by law.

You may appeal your dismissal through the problem-solving procedure provided for in the company policies, if you believe you have been aggrieved. All appeals must be sent to the owner of the company.

The list of offenses and/or misconduct cited above shall not limit the rights of Company management to establish new rules, amend rules and procedures, or to enforce other such penalties or discipline as are appropriate and properly the subject of disciplinary action.

ACCESS TO COMPANY AND PERSONAL PROPERTY

The company reserves the right to conduct searches it considers appropriate on company premises, including searches of personal items brought onto company property. "Company premises" includes the entire office, lockers, desks, filing cabinets, plant site, warehouse and other company building, as well as company vehicles, company parking lots, and outdoor property. The company may also conduct surveillance of all company areas as it deems appropriate, including but not limited to, personal observation or use of photographic or video equipment. If you have questions concerning this section or the program/policy, please consult your direct supervisor or the owner of the company.

COMPLIANCE WITH LAWS

It is the company policy to comply with all applicable laws, including, but not limited to, those pertaining to general employment, anti-discrimination, health, safety, antitrust, securities, anti-fraud, corruption, bribery and environmental protection.

BUSINESS ETHICS AND FAIR COMPETITION



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The Company is committed to maintaining the highest standards of business ethics, fair competition and compliance with all applicable laws. Each employee is required to fully cooperate with any investigation by the company or any governmental agency.

EMPLOYMENT POLICIES

All employees will comply with company policies and procedures which:

- Foster a work environment in which all individuals are treated with respect.
- Ensure equal employment opportunity without discrimination or harassment on the basis of race, color, national origin, religion, sex, age, disability, veteran status, or any other status protected by law.
- Provide a safe workplace for all employees.
- Provides no employee may interfere with or retaliate against another person who seeks to invoke his or her rights under any laws or policies.

GIFTS

Gifts such as merchandise or products, as well as personal services or favors, may not be accepted unless the gifts are of a type and amount that are reasonable and customary under the circumstances, and are not designed to, or have the effect of, influencing the recipient's business judgment.

ENTERTAINMENT

Normal business entertainment such as lunch, dinner, theatre, a sporting event and the like, is appropriate if of a reasonable nature and in the course of bona fide business discussions or to foster better business relations. All such entertainment expenses must be approved by the owner of the company prior to the entertainment expense being spent.

QUESTIONS

If there are any questions or concerns regarding any policies or procedures set forth by the company please refer them to your direct supervisor. If this option is either unavailable or there could be a conflict of interest with the situation please refer all questions to a member of company management, or directly to the owner of the company.



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