

**United Property Management, LLC**

**Employee Handbook**

Welcome new employee!

On behalf of your colleagues, I welcome you to United Property Management and wish you every success here.

We believe that each employee contributes directly to UPM'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 UPM.

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

Sincerely,

Fred G. Mills  
United Property Management, LLC

# United Property Management, LLC

## UPM Employee Handbook

Revision Date: October 26, 2015

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## UPM Employee Handbook

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## ORGANIZATION DESCRIPTION

United Property Management develops, constructs, and manages quality multi-family complexes. UPM also builds affordable single-family homes.

The main office of United Property Management is located at 1048 Washington Street in Raleigh, North Carolina. Our other office location is in Shelby, North Carolina.

### **The History of UPM**

In 1968 Fred Mills co-founded MS Development Corporation, a licensed general contractor and real estate development company. Mills served as its president until 1978. Mills Construction Company, Inc. was founded in 1978 as successor to MS Development Corporation, and Mills has served as its president since 1978 until 2001. In March 2001, Fred G. Mills, Jr. was appointed President of Mills Construction Company and Fred Mills is the Chief Executive Officer.

The company, based in Shelby, NC, operated until 1990 throughout Cleveland, Rutherford, Lincoln, Gaston, Caldwell, and Burke counties in North Carolina and Horry County in South Carolina. During that period Mills was involved in the development and construction of office buildings, churches, and warehouses, as well as single family and multi-family housing. The company's primary business was developing and building affordable single-family housing.

In 1990, the company became involved in affordable multi-family developments in the Raleigh and Durham, NC areas. Mills formed a partnership with Stuart LeGrand to pursue this interest. Since that time, several rental communities have been developed, and are currently managed by this partnership.

## INTRODUCTORY STATEMENT

This handbook is designed to acquaint you with UPM 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 UPM 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 UPM continues to grow, the need may arise and UPM 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. Employees will, of course, be notified of such changes to the handbook as they occur.

## CUSTOMER RELATIONS

Customers are among our organization's most valuable assets. Every employee represents UPM to our customers and the public. The way we do our jobs presents an image of our entire organization. Customers judge all of us by how they are treated with each employee contact. Therefore, one of our first business priorities is to assist any customer or potential customer. Nothing is more important than being courteous, friendly, helpful, and prompt in the attention you give to customers.

Our personal contact with the public, our manners on the telephone, and the communications we send to customers are a reflection not only of ourselves, but also the professionalism of UPM. Positive customer relations not only enhance the public's perception or image of UPM, but also pay off in greater customer loyalty and increased sales and profit.

## **101 Employee Relations**

UPM believes that the work conditions, wages, and benefits it offers to its employees are competitive with those offered by other employers in this area and in this industry. If employees have concern about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisors. However, compensation should not be discussed among coworkers.

Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that UPM amply demonstrates its commitment to employees by responding effectively to employee concerns.

## **102 Equal Employment Opportunity**

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at UPM will be based on merit, qualifications, and abilities. UPM does not discriminate in employment opportunities, practices, or protected classes on the basis of race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law.

UPM will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship for the company. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

In addition to a commitment to provide equal employment opportunities to all qualified individuals, UPM has established an affirmative action program to promote opportunities for individuals in certain protected classes throughout the organization.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor, the Human Resources Manager, or any member of management. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action up to and including termination of employment.



## **103 Business Ethics and Conduct**

The continued success of UPM is dependent upon our customers' trust and we are dedicated to preserving that trust. Employees owe a duty to UPM, its customers, and shareholders to act in a way that will merit the continued trust and confidence of the public.

UPM will comply with all applicable laws and regulations and expects its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with your immediate supervisor and, if necessary, with the Human Resources Manager for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every UPM employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

## **104 Hiring of Relatives**

The employment of relatives in the same area of an organization may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried over into day-to-day working relationships.

For purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship to the employee is similar to that of persons who are related by blood or marriage. This policy applies to all employees without regard to the gender or sexual orientation of the individuals involved.

Although UPM has no prohibition against employing relatives of current employees, we are committed to monitoring situations in which such relationships exist. In case of actual or potential problems, UPM will take prompt action. This can include reassignment or, if necessary, termination of employment for one or both of the individuals involved.

## **105 Immigration Law Compliance**

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

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

Employees with questions or seeking more information on immigration law issues are encouraged to contact the Human Resources Manager.

## **106 Conflicts of Interest**

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which UPM wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact your supervisor for more information or questions about conflicts of interest.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of UPM's business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to an officer of UPM as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which UPM does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving UPM.

## **107 Outside Employment**

Employees may hold outside jobs as long as they meet the performance standards of their job with UPM. All employees will be judged by the same performance standards and will be subject to UPM's scheduling demands, regardless of any existing outside work requirements.

All employees are required to notify their immediate supervisor, the Human Resources Manager, or any member of management of any outside job held by the employee while an employee of UPM. If UPM determines that an employee's outside work interferes with performance or the ability to meet the requirements of UPM as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with UPM.

If an employee does not disclose secondary employment (outside job), and it is discovered, the employee will be subject to disciplinary action, up to and including termination of employment.

Outside employment that constitutes a conflict of interest is prohibited. Employees may not receive any income or material gain from individuals outside UPM for materials produced or services rendered while performing their jobs.

Due to the likelihood of a conflict of interest, other than duties performed in the course of their employment with UPM, no employee of UPM shall engage in any outside activity that would require a license from the North Carolina Real Estate Commission ("NCRE Commission") under Chapter 93A of the North Carolina General Statutes. Note that, among other things, a license is required from the NCRE Commission for any of the following with respect to real estate: listing, selling, auctioning, negotiating the purchase or sale of, leasing to third parties, or renting to third parties. However, exceptions do exist, including, but not limited to, an individual leasing or selling their own property. Please consult NCGS 93A-2 for the applicable definitions and exclusions.

At any point during employment, if an employee is engaged in or considering any activity outside of UPM employment which the employee believes may require a license from the NCRE Commission, whether or not they have a license, in addition to notifying the parties as required above, the employee should contact UPM's general counsel to discuss the details and permissibility.

## **108 Non-Disclosure**

The protection of confidential business information and trade secrets is vital to the interests and the success of UPM. Such confidential information includes, but is not limited to, the following examples:

- Compensation data
- Financial information

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.

## **109 Nature of Employment**

Employment with UPM is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, UPM may terminate the employment relationship at will at any time, with or without notice or cause, so long as there is no violation of applicable federal or state law.

Policies set forth in this handbook are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between UPM and any of its employees. The provisions of the handbook have been

developed at the discretion of management and, except for its policy of employment-at-will, may be amended or cancelled at any time, at UPM's sole discretion.

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

## **201 Employment Categories**

It is the intent of UPM 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 UPM.

Each employee is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour laws. NONEXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wage and hour laws.

In addition to the above categories, each employee will belong to one other employment category:

FULL-TIME employees are those who are regularly scheduled to work UPM's full-time schedule. Generally, they are eligible for UPM's benefit package, subject to the terms, conditions, and limitations of each benefit program.

PART-TIME employees are those who are regularly scheduled to work less than 30 hours per week. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they are ineligible for some of UPM's other benefit programs.

TEMPORARY employees are those who are hired to temporarily supplement the work force, or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does to in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. While temporary employees receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for all of UPM's other benefit programs.

## **202 Access to Personnel Files**

UPM maintains a personnel file on each employee. The personnel file includes such information as the employee's job applications, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Personnel files are the property of UPM, and access to the information they contain is restricted. Generally, only supervisors and management personnel of UPM 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 Resources Manager. With reasonable advance notice, employees may review their own personnel files in UPM's offices and in the presence of an individual appointed by UPM to maintain the files.

## **203 Employment Reference Checks**

It is the policy of UPM to check the employment references of all applicants. Criminal background checks will be run on all employees, as well as credit checks where appropriate. A negative drug test is required for employment.

The Human Resources Manager will respond to all reference check inquiries from other employers. Responses to such inquiries will confirm dates of employment, wage rates, position(s) held, and other appropriate information lawfully requested.

## **204 Personnel Data Changes**

It is the responsibility of each employee to promptly notify UPM of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other such status reports should be accurate at all times. If any personnel data has been changed, notify the Human Resources Manager.

## **205 Introductory Period**

The introductory 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. UPM uses this period to evaluate employee capabilities, work habits, and overall performance. Either the employee or UPM may end the employment relationship at will at any time during or after the introductory period, with or without cause or advance notice.

All new and rehired employees work on an introductory basis for the first 90 calendar days after their date of hire. Any excused significant absence will automatically extend an introductory period by the length of the absence. If UPM determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended for a specified time.

During the introductory period, new employees are eligible for those benefits provided for by law, such as workers' compensation insurance and Social Security. They are also eligible to become enrolled in the company's health insurance program, and the SIMPLE IRA program. After completing the introductory period, they may also be eligible for other UPM-provided benefits, subject to the terms and conditions of each benefits program.

## **206 Employment Applications**

UPM relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

## **207 Performance Evaluation**

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. A formal written performance evaluation will be conducted at the end of an employee's initial period of hire, known as the introductory period.

Additional formal performance evaluations are conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss positive, purposeful approaches for meeting goals.



Merit-based pay adjustments are awarded by UPM in an effort to recognize truly superior employee performance. The decision to award such an adjustment is dependent upon numerous factors, including the information documented by this formal performance evaluation process.

## **208 Salary Administration**

The salary administration program at UPM was created to achieve consistent pay practices, comply with federal and state laws, mirror our commitment to Equal Employment Opportunity, and offer competitive salaries within our labor market. Because recruiting and retaining talented employees is critical to our success, UPM is committed to paying its employees equitable wages that reflect the requirements and responsibilities of their positions and are comparable to the pay received by similarly situated employees in other organizations in the area.

Compensation for every position is determined by several factors, including the essential duties and responsibilities of the job, and salary survey data on pay practices of other employers. UPM periodically reviews its salary administration program and restructures it as necessary. Merit-based pay adjustments may be awarded in conjunction with superior employee performance documented by the performance evaluation process. Incentive bonuses may be awarded depending on the overall profitability of UPM and based on each employee's individual contributions to the organization.

Employees should bring their pay-related questions or concerns to the attention of their immediate supervisors, who are responsible for the fair administration of departmental pay practices.

## **209 Disposal of Consumer Information**

Any consumer information gathered by UPM employees is to be protected from unauthorized use. In-house disposal of consumer information, including criminal background checks and credit reports, must include shredding these reports so that they cannot be read or reconstructed.

Credit card numbers should never be kept on paper, in an Excel spreadsheet, or emailed. Proper disposal of consumer information that contains credit card numbers is required.

Failure to comply with this policy may result in disciplinary action, up to and including termination of employment.

### **301 Employee Benefits**

Eligible employees at UPM are provided a wide range of benefits. A number of the programs (such as Social Security, workers' compensation, state disability, and unemployment insurance) cover all employees in the manner prescribed by law.

Benefits eligibility is dependent upon a variety of factors, including employee classification. Your supervisor can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the employee handbook.

The following benefit programs are available to eligible employees:

- 401K
- Bereavement Leave
- Health Insurance
- Paid Time Off (PTO)

Some benefit programs require contributions from the employee, but most are fully paid by UPM.

### **302 Holidays**

UPM will grant holiday time off to all employees on the holidays posted and communicated to employees in January of each year.

### **303 Workers' Compensation Insurance**

UPM provides a comprehensive workers' compensation insurance program at no cost to employees. 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 or, if the employee is hospitalized, immediately.

Employees who sustain work-related injuries or illnesses should inform their supervisor **IMMEDIATELY**. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible.

Any employee who sustains a work related injury/illness and goes to a medical facility for treatment of this injury/illness must submit to a urine or blood test.

### **304 Bereavement Leave**

Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately.

Up to 3 days of paid bereavement leave will be provided to eligible employees in the following classification(s):

- Full-Time Employees
- Part-Time Employees

Up to 1 day of paid bereavement leave will be provided to eligible employees in the event of the death of a member of the employee's extended family.

Bereavement pay is calculated based on the base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, commissions, bonuses, or shift differentials.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisors' approval, use any available paid leave for additional time off as necessary.

UPM defines "immediate family" as the employee's spouse, parent, child, or sibling and "extended family" as the employee's grandparent, spouse's parent, or spouse's sibling.

### **305 Jury Duty**

UPM encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees may request up to 1 week of paid jury duty leave over any 1-year period.

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.

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

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

Either UPM or the employee may request an excuse from jury duty if, in UPM's judgment, the employee's absence would create serious operational difficulties.

UPM will continue to provide health insurance benefits for the full term of the jury duty absence.

Vacation, sick leave, and holiday benefits will continue to accrue during the unpaid jury duty leave.

### **306 Benefits Continuation (COBRA)**

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

Under COBRA, the employee or beneficiary pays the full cost of coverage at UPM's group rates plus an administration fee. UPM provides each eligible employee with a written notice describing rights granted under COBRA when the employee has a qualifying event. The notice contains important information about the employee's rights and obligations.

### **307 Sick Days and Vacation Time**

Employees in the following employment classification(s) are eligible to earn and use sick days and vacation time as described in this policy:

- Exempt Full-Time Employees
- Non-Exempt Full-Time Employees
- Part-Time Employees

Upon completion of the introductory employment period of 90 days, employees begin to earn sick time and vacation leave according to the schedule below. Employees can request use of earned sick time and vacation leave including that time accrued during the introductory period. Requests for time off should be submitted in writing.

Sick days are to be used for illness only. A doctor's note will be required from any employee who is out for more than two days due to illness. If a doctor's note is not provided, the time off will be considered to be vacation leave.

UPM recognizes the differences in administrative employees (office staff) and field employees with respect to vacation time. All employees are required to notify their supervisor of any time away from regular duties **prior to leaving their job site or office**. However, factors outside of the control of UPM, such as weather permitting, subcontractor participation, etc., may cause a field employee to miss regularly scheduled work that will not normally be posted against vacation time. If any employee fails to notify their supervisor of time away from regularly scheduled work, that time will automatically count as used vacation time, and the employee will be subject to disciplinary action including and up to termination of employment.

The amount of vacation time employees receive each year increases with the length of their employment as shown in the following schedule:

Upon initial eligibility, an employee is entitled to 6 days of sick leave and 10 days of vacation per year, accrued monthly.

After 1 year of eligible service, an employee is entitled to 6 days of sick leave and 11 days of vacation per year, prorated from the employee's anniversary date of employment until the end of the calendar year. At the start of the next calendar year, the employee's time will be computed based on 2-year eligibility, and will be calculated on a calendar year.

After 2 years of eligible service, an employee is entitled to 6 days of sick leave and 12 days of vacation per calendar year.

After 3 years of eligible service, an employee is entitled to 6 days of sick leave and 13 days of vacation per calendar year.

After 4 years of eligible service an employee is entitled to 6 days of sick leave and 14 days of vacation per calendar year.

After 5 years of eligible service an employee is entitled to 6 days of sick leave and 15 days of vacation per calendar year.

Part-time employees should contact their immediate supervisor regarding the accrual rate of sick time and vacation leave.

The length of eligible service is calculated on the basis of a "benefit year". Some types of leave of absence do not count toward the accrual of vacation leave.

Vacation leave can be used in minimum increments of one-half hour. Employees who have an unexpected need to be absent from work should notify their direct supervisor before the scheduled start of their workday, if possible. The direct supervisor must also be contacted on each additional day of unexpected absence.

To schedule planned vacation leave, employees should request advance approval in writing from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.

Sick time and vacation leave is paid at the employee's base pay rate at the time of absence. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

In the event that available sick leave and vacation time is not used by the end of the benefit year, employees will forfeit the unused sick leave and vacation time.

Upon termination of employment, employees will be paid for unused sick leave and vacation time that has been accrued from the start of the calendar year through the last day of work, if sufficient and proper notice has been given by the employee.

### **308 Health Insurance**

UPM's health insurance plan provides employees and their dependents access to medical insurance benefits. Full-time employees are eligible to participate in the health insurance plan.

Eligible employees may participate in the health insurance plan subject to all terms and conditions of the agreement between UPM and the insurance carrier.

A change in employment classification that would result in loss of eligibility to participate in the health 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.

Please contact the Human Resources Manager for more information about health insurance benefits.

### **309 401K**

UPM has established a 401K savings plan to provide employees the potential for future financial security for retirement.

Eligible employees may participate in the 401K plan subject to all terms and conditions of the plan.

The 401K savings plan allows you to elect how much salary you want to contribute, up to an annual amount established by the IRS, so you can tailor your own retirement package

to meet your individual needs. UPM will contribute a matching amount to any contributions the employee makes, up to 3 percent of the employee's annual salary.

Because your contribution to a 401K plan is automatically deducted from your pay before federal and state tax withholdings are calculated, you save tax dollars now by having your current taxable amount reduced. While the amounts deducted generally will be taxed when they are finally distributed, favorable tax rules typically apply to 401K distributions.

Please contact the Human Resources Manager for more information about the 401K plan.

### **310 Parental Leave for School Visits**

UPM recognizes the value of parental involvement in children's education. For this reason, UPM 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 4 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. Upon return from leave, employees must provide documentation for the Human Resources Manager from the school verifying the date and time of the visit. Contact the Human Resources Manager for more information or questions about and requests for parental leave for school visits

## **401 Timekeeping**

Accurately recording time worked is the responsibility of every UPM employee. Federal and state laws require UPM to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

Nonexempt employees should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They should also record the beginning and ending time of any split shift or departure from work for personal reasons. Overtime work must always be approved before it is performed.

Employees who are paid weekly must submit timesheets daily to [amy@upmapartments.com](mailto:amy@upmapartments.com). If the site has work orders that are more than 30 days old, copies of completed work orders must be submitted with the timesheet, and the timesheet should list the work orders worked on and the time it took to complete them. Failure to submit timesheets when required and without the required information may result in disciplinary action, up to and including termination of employment.

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.

## **402 Paydays**

All employees will be paid semimonthly on the 15<sup>th</sup> and 31<sup>st</sup> days of the month. Each paycheck will include earnings for all work performed through the end of the previous payroll period.

In the event that a regularly scheduled payday falls on a day off such as a weekend or holiday, employees will receive pay on the last day of work before the regularly scheduled payday.

Employees may have pay directly deposited into their bank accounts if they provide advance written authorization to UPM. Employees will receive an itemized statement of wages when UPM makes direct deposits.

Compensation should not be discussed with third parties.



## **403 Progressive Discipline**

The purpose of this policy is to state UPM's position on administering equitable and consistent discipline of unsatisfactory conduct in the workplace. The best disciplinary measure is the one that does not have to be enforced and comes from good leadership and fair supervision at all employment levels.

UPM's own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future.

Although employment with UPM is based on mutual consent and both the employee and UPM have the right to terminate employment at will, with or without cause or advance notice, UPM may use progressive discipline at its discretion.

Disciplinary action may call for any of three steps – written warning, final written warning, or termination of employment – depending on the nature of the problem. There may be circumstances when one or more steps are bypassed.

Progressive discipline means that, with respect to most disciplinary problems, these steps will normally be followed:

A first offense may call for a written warning; another offense will lead to a final written warning; and, still another offense will lead to termination of employment.

If more than 12 months have passed since the last disciplinary action, the process will normally start over. There may be exceptions to this procedure.

UPM recognizes that there are certain types of employee problems that are serious enough to justify termination of employment, without going through the usual progressive discipline steps.

By using progressive discipline, we hope that most employee problems can be corrected and an early stage, benefiting both the employee and UPM.

## **404 Employment Termination**

Below are examples of some of the most common circumstances under which employment is terminated:

- Resignation – voluntary employment termination initiated by an employee.
- Discharge – involuntary employment termination initiated by the organization.

Since employment with UPM is based on mutual consent, both the employee and UPM have the right to terminate employment at will, with or without cause, at any time. Employment benefits will be affected by employment termination in the following manner:

If an employee resigns, all accrued, vested benefits that are due and payable at termination will be paid, as long as proper written notice of at least two weeks is given. Some benefits may be continued at the employee's expense if the employee so chooses. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

If an employee is discharged for any reason, no accrued, benefits will be paid.

All materials and information supplied by UPM or created in the course of employment are property of UPM and shall remain with or be returned to UPM upon termination of employment. At termination, the employee is responsible for returning all materials or information supplied by UPM or created by the employee in the course of employment. All equipment supplied by UPM is to be returned by the end of the last day the employee works.

## **405 Pay Advances**

UPM does not provide pay advances on unearned wages to employees.

## **406 Administrative Pay Corrections**

UPM 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 Human Resources Manager so that corrections can be made as quickly as possible.

## **407 Pay Deductions**

The law requires that UPM make certain deductions from an employee's paycheck. Among these are applicable federal and state income taxes. UPM also must deduct Social Security taxes. UPM matches the amount of Social Security taxes paid by each employee.

If you have questions concerning deductions from your paycheck, your supervisor can assist in having your questions answered.

## **501 Safety**

To assist in providing a safe and healthful work environment for employees, customers, and visitors, UPM has established a workplace safety program. This program is a top priority for UPM. Each field superintendent has responsibility for implementing, administering, monitoring, and evaluating the safety program for construction jobs. Its success depends on the alertness and personal commitment of all. Superintendents should refer to the safety manual for specific information regarding safety regulations.

UPM provides information to employees about workplace safety and health issues through regular internal communication channels such as supervisor-employee meetings, bulletin board postings, memos, or other written communications.

Each employee is expected to obey safety rules and to exercise caution in all work activities. Employees must immediately report any unsafe condition to the appropriate supervisor.

Employees who violate safety standards, who cause hazardous or dangerous situations, or who fail to report or, where appropriate, remedy such situations, may be subject to disciplinary action, up to and including termination of employment.

In the case of accidents that result in injury, regardless of how insignificant the injury may appear, employees should immediately notify the Human Resources Manager or the appropriate supervisor, as outlined in Policy # 303. Such reports are necessary to comply with laws and initiate insurance and workers' compensation benefits procedures.

Field employees will be given a safety manual and program designed to meet the needs of a specific jobsite. Your supervisor will provide you with the safety manual. Compliance with the information provided in the safety manual is mandatory. Failure to comply with the regulations in the safety manual will result in disciplinary action including and up to termination of employment.

## **502 Work Schedules**

The normal work schedule for all full-time employees is 40 hours a week. Supervisors will advise employees of the times their schedules will normally begin and end. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

Due to the nature of our business, work schedules can vary between departments, locations and specific jobs.

### **503 Use of Telephones**

During posted business hours, employees are allowed to make personal phone calls and send personal e-mails. However, these forms of communication should be brief and/or for emergencies only. Employees should practice discretion when making local personal calls and may be required to reimburse for any charges resulting from their personal use of the telephone.

If extended time is needed to transact personal business during the normal work day, the employee's lunch hour should be used. If this time is not sufficient, a request for time off should be made.

To ensure effective telephone communications, employees should always answer the phone professionally. Please confirm information received from the caller, and hang up only after the caller has done so.

### **504 Smoking**

In keeping with UPM's intent to provide a safe and healthful work environment, smoking is prohibited throughout the workplace, including all temporary office facilities on construction sites and all leasing or maintenance offices staffed by UPM.

This policy applies equally to all employees, customers, and visitors.

### **505 Rest and Meal Periods**

Generally, all employees are encouraged to take two short rest periods of no more than 10 minutes in length. One of these rest periods should be in the morning and one in the afternoon. Further, employees will be permitted to take a lunch period that is consistent with their job requirements but in no case longer than one hour. Breaks of 20 minutes or less will be paid; breaks longer than 20 minutes will be unpaid.

### **506 Overtime**

When operating requirements or other needs cannot be met during the regular working hours, employees may be scheduled to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. All overtime work must receive the supervisor's prior authorization. Overtime assignments will be distributed as equally as practical to all employees.

Overtime compensation is paid to all nonexempt employees. Overtime pay is based on actual hours worked. Time off on sick leave, vacation leave, or any leave of absence will not be considered hours worked for purposes of overtime calculations.

Repeated failure to work scheduled overtime or overtime worked without prior authorization from the supervisor may result in disciplinary action, up to and including termination of employment.

## 507 Use of Equipment and Vehicles

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using equipment and vehicles, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines. No personal use of UPM equipment, tools or vehicles is allowed.

There are several company vehicles that are available for employee use when it is required to conduct company business. These vehicles will generally not be assigned to a specific employee and will generally not be used for transportation to and from work. If your assignment requires use of a company vehicle on occasion, keys may be requested from your immediate supervisor. Any employee that operates a company vehicle at any time will be required to undergo a DMV check to ensure that they have a valid drivers license and no serious moving traffic violations.

No family members are allowed to drive a company-owned vehicle. Any passenger in a company-owned vehicle must be an employee of UPM. Any passenger in an employee's personal vehicle while being used for company business must be a UPM employee.

Texting while driving a personal vehicle on company time, or while driving a company vehicle is strictly forbidden and will lead to disciplinary action, up to and including termination of employment.

Any UPM employee who drives his or her personal vehicle on company time must provide proof of insurance for his or her personal vehicle.

Any employee that operates a company vehicle at any time or any employee that drives his personal car for company use must immediately inform their immediate supervisor **in writing** if their driver's license has become suspended or is revoked, of any driving violation, or when an accident occurs. Failure to do so may result in suspension and/or termination of employment.

Periodic DMV checks will be performed on all employees who drive for UPM, whether it is in a company vehicle or personal vehicle.

Please notify your supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deteriorations of equipment and possible injury to yourself or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in



disciplinary action, up to and including suspension of driving company vehicles or termination of employment.

## **508 Emergency Closings**

At times, emergencies and unforeseen situations, such as severe weather, fires, power failures, or earthquakes, can disrupt company operations. In extreme cases, these circumstances may require the closing of a work facility.

When the decision to close is made **AFTER** the workday has begun, employees will receive official notification from their immediate supervisor. In these situations, time off from scheduled work will be unpaid. However, with supervisory approval, employees may use available paid leave time, such as unused vacation benefits. When the decision to close is made **BEFORE** the workday has begun, time off from scheduled work will be paid. Supervisors will be informed by the President if the decision is made to close before the workday has begun. Each supervisor is responsible for informing their employees if a decision is made to close the office before the workday has begun.

In cases where an emergency closing is not authorized, employees who fail to report to work will not be paid for the time off. Employees in essential operations may be asked to work on a day when operations are officially closed. In these circumstances, employees who work will receive regular pay.

## **509 Business Travel Expenses**

UPM will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. All business travel must be approved in advance by the immediate supervisor.

Employees whose travel plans have been approved should make all travel arrangements through UPM's designated travel agency.

When approved, the actual costs of travel, meals, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by UPM. Employees are expected to limit expenses to reasonable amounts.

Employees who are involved in an accident while traveling on business must promptly report the incident to their immediate supervisor. Vehicles owned, leased, or rented by UPM may not be used for personal use without prior approval.

When travel is completed, employees should submit complete travel expense reports within 2 days. Reports should be accompanied by receipts for all individual expenses.

Employees should contact their supervisor for guidance and assistance on procedures related to travel arrangements, expense reports, reimbursement for specific expenses, or any other business travel issues.

Abuse of this business travel expenses policy, including falsifying expense reports to reflect costs not incurred by the employee, can be grounds for disciplinary action, up to and including termination of employment.

## **510 Visitors in the Workplace**

To provide for the safety and security of employees and the facilities at UPM, 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.

All visitors should enter UPM 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 UPM's premises, employees should immediately notify their supervisor or, if necessary, direct the individual to the main entrance.

## **511 Computer and E-mail Usage**

Computers, computer files, the e-mail system, and software furnished to employees are UPM property intended for business use. All site computers must have a password to access after startup to avoid unauthorized access. Only site managers and home office personnel are authorized to use company computers.

Employees have no right to expect privacy with respect to emailing done from the workplace, whether it is for business or non-business purposes. UPM reserves the right to monitor or screen email usage at any time.

Emails will be treated no differently than other written professional communication, regardless of the intended recipient.

Personal emails are allowed; however, UPM advises against the sending of chain emails and mass mailings. No emails or attachments from unknown addresses should be opened.

UPM strives to maintain a workplace free of harassment and sensitive to the diversity of its employees. Therefore, UPM prohibits the use of computers and the e-mail system in ways that are disruptive, offensive to others, or harmful to morale.

For example, the display or transmission of sexually explicit images, messages, and cartoons is not allowed. Other such misuse includes, but is not limited to, ethnic slurs, racial comments, off-color jokes, or anything that may be construed as harassment or showing disrespect for others. Any employee that receives an email of this nature should report it immediately to his or her supervisor.

UPM 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, UPM 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. UPM prohibits the illegal duplication of software and its related documentation.

Employees should notify their immediate supervisor, the Human Resources Manager or any member of management upon learning of violations of this policy. Employees who violate this policy will be subject to disciplinary action, up to and including termination of employment.

## **512 Internet Usage**

Internet access to global electronic information resources on the World Wide Web is provided by UPM to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage.

All Internet data that is composed, transmitted, or received via our computer communication systems is considered to be part of the official records of UPM and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, employees should always ensure that the business information contained in Internet e-mail messages and other transmissions is accurate, appropriate, ethical, and lawful.

Data that is composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person. Examples of unacceptable content may include, but are not limited to, sexual comments or images, racial slurs, gender-specific comments, or any other comments or images that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by law.

Internet users should take the necessary anti-virus precautions before downloading or copying any file from the Internet. All downloaded files are to be checked for viruses; all compressed files are to be checked before and after decompression.

Visiting non-work related websites, including Facebook, is against company policy and is subject to disciplinary action, up to and including termination of employment.

Abuse of the Internet access provided by UPM in violation of law or UPM policies will result in disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of this policy. The following behaviors are examples or previously stated or additional actions and activities that are prohibited and can result in disciplinary action:

- Sending or posting discriminatory, harassing, or threatening messages or images.
- Sending anonymous e-mail messages.
- Engaging in any illegal activities.

## **513 Children in the Workplace**

For safety reasons, UPM strongly discourages bringing children to work. Employees should make other arrangements for outside care of their children when at all possible. Bringing a sick or disruptive child into the workplace can influence the job performance of other employees. It can also create several liability issues for the employer. Thus, bringing children to work is deemed inappropriate.

## **514 Breastfeeding in the Workplace**

If the need for breastfeeding during work hours arises, the employee will use a private room separate from the public. This room will be equipped with at least one electrical outlet, as well as a place for storage of breast pump equipment. Please contact the Human Resources Manager with questions.

## **601 Medical Leave**

UPM provides medical leaves of absence without pay to eligible employees who are temporarily unable to work due to pregnancy, a serious health condition, or disability.

For purposes of this policy, serious health conditions or disabilities include inpatient care in a hospital, hospice, or residential medical care facility; continuing treatment by a health care provider; and temporary disabilities associated with pregnancy, childbirth, and related medical conditions.

Employees in the following employment classifications are eligible to request medical leave as described in this policy:

- Full-time employees
- Part-time employees

Eligible employees may request medical leave only after having completed 90 days of service. Exceptions to the service requirement will be considered to accommodate disabilities.

Eligible employees should make requests for medical leave to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.

A health care provider's statement must be submitted verifying the need for medical leave and its beginning and expected ending dates. Any changes in this information should be promptly reported to UPM. Employees returning from medical leave must submit a health care provider's verification of the fitness to return to work.

Eligible employees are normally granted leave for the period of the disability, up to a maximum of 12 weeks within any 12-month period. Any combination of medical leave and family leave may not exceed this maximum limit.

Employees who sustain work-related injuries are eligible for a medical leave of absence for the period of disability in accordance with all applicable laws covering occupational disabilities.

Paid time off and holiday benefits will be suspended during the leave and will resume upon return to active employment.

So that an employee's return to work can be properly scheduled, an employee on medical leave is requested to provide UPM with at least two weeks advance notice of the date the employee intends to return to work.

## 602 Family Leave

UPM provides family leave of absence to eligible employees who wish to take time off from work duties to fulfill family obligations relating directly to childbirth, adoption, or placement of a foster child; or to care for a child, spouse, or parent with a serious health condition. A serious health condition means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential medical care facility; or continuing treatment by a health care provider.

Employees in the following employment classifications are eligible to request family leave as described in this policy:

- Full-time employees
- Part-time employees

Eligible employees may request family leave only after having completed 1 year and 1250 hours of service. Eligible employees should make requests for family leave to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.

Employees requesting family leave related to serious health condition of a child, spouse, or parent may be required to submit a health care provider's statement verifying the need for a family leave to provide care, its beginning and expected ending dates, and the estimated time required.

After one full year of employment, an employee is eligible for 3 weeks of paid family leave. An employee may request an additional 9 weeks of unpaid leave, up to a maximum of 12 weeks of family leave within any 12-month period. Any combination of family leave and medical leave may not exceed this maximum limit. Married employee couples may be restricted to a combined total of 12 weeks leave within any 12-month period for childbirth, adoption, or place of a foster child, or to care for a parent with a serious health condition.

Subject to the terms, condition, and limitations of the applicable plans, UPM will continue to provide health insurance benefits for the full period of the approved family leave.

Paid time off and holiday benefits will not continue during the approved family leave period.

So that an employee's return to work can be properly scheduled, an employee on family leave is requested to provide UPM with at least two weeks advance notice of the date the employee intends to return to work. When a family leave ends, the employee will be reinstated to the same position, if it is available, or to an equivalent position for which the employee is qualified.

If an employee fails to return to work on the agreed upon return date, UPM will assume that the employee has resigned.

### **603 Military Leave**

A military leave of absence will be granted to employees who are absent from work because of service in the U.S. uniformed services in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA). Advance notice of military service is required, unless military necessity prevents such notice or it is otherwise impossible or unreasonable.

The leave will be unpaid. However, employees may use any accrued but unused paid time off for the absence.

Continuation of health insurance benefits is available as required by USERRA based on length of the leave and subject to the terms, conditions and limitations of the applicable plans for which the employee is otherwise eligible.

Employees on military leave for up to 30 days are required to return to work for the first regularly scheduled shift after end of service, allowing reasonable travel time. Employees on longer military leave must apply for reinstatement in accordance with USERRA and all applicable state laws.

Employees returning from military leave will be placed in the same position they held prior to the leave. They will be treated as though they were continuously employed for purposes of determining benefits based on length of service.

Contact the Human Resources Manager for more information or questions about military leave.





## **701 Employee Conduct and Work Rules**

To ensure orderly operations and provide the best possible work environment, UPM expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- Theft or inappropriate removal or possession of property.
- Falsification of employment, personnel or other UPM records.  
This includes, but is not limited to, applications and timekeeping records.
- Working apparently under the influence of alcohol, illegal drugs, or legal drugs that are not prescribed for the employee or are being misused.
- Possession, distribution, sale, transfer, or use of alcohol or illegal drugs while on duty, or while operating employer-owned company vehicles or equipment or while on company property.
- Socializing and fraternizing with residents during work hours.
- Fighting or threatening violence in the workplace.
- Boisterous or disruptive activity in the workplace.
- Negligence or improper conduct leading to damage of employer owned or customer owned property.
- Insubordination or other disrespectful conduct.
- Time-theft; that is, deliberately abusing time that should be spent working. Examples of time-theft include, but are not limited to, excessive socializing, conducting personal business, or doing nothing at all.
- Violation of safety or health rules.
- Smoking in prohibited areas.
- Sexual or other unlawful or unwelcome harassment.
- Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace.



- Excessive absenteeism or any absence without notice.
- Removal of any business-related deposits from the workplace, except to take directly to the bank. No business-related deposits or checks should be taken to an employee's house.
- Any action or inaction that could cause UPM to be found in non-compliance with the tax-credit law, as defined in IRS Code Section 42.
- Violation of personnel policies.
- Unsatisfactory performance or conduct.
- Concealing defective work.

Employment with UPM is at the mutual consent of UPM and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice.

## **702 Drug and Alcohol Abuse**

It is UPM's desire to provide a drug-free, healthful, and safe workplace. To promote this goal, employees are required to report to work in appropriate mental and physical condition to perform their jobs in a satisfactory manner.

While on UPM premises and while conducting business-related activities off UPM premises, no employee may use, possess, distribute, sell, or be under the influence of alcohol or illegal drugs. The legal use of prescribed drugs is permitted on the job only if it does not impair an employee's ability to perform the essential functions of the job effectively and in a safe manner that does not endanger other individuals in the workplace.

On-call maintenance employees are forbidden to respond to work orders after hours if they have consumed any amount of alcohol. A subcontractor must be contacted to answer the work order if the employee has been drinking. Excessive calls to subcontractors for after-hours calls will be reviewed, and can lead to disciplinary action, up to and including termination of employment.

UPM maintains a strong commitment to provide a safe, drug-free, alcohol-free workplace and to establish programs promoting high standards of safety and health. The intent of UPM's drug and alcohol policy is to prevent the use and presence of drugs and alcohol in the working environment. All employees, including management, are covered by this policy including provisions for (1) pre-employment testing, (2) for-cause testing, and (3) random testing. All new employees will receive a copy of the drug and alcohol policy

when it is issued. Changes or updates to the policy will be communicated to all employees prior to implementation.

Employees, as a condition of employment or continued employment, are required to abide by the drug and alcohol guidelines, including signatures acknowledging receipt and understanding, as well as documents that give consent to be tested.

Violations of this policy may lead to disciplinary action, up to and including immediate termination of employment, and/or required participation in a substance abuse rehabilitation or treatment program. Such violations may also have legal consequences.

Employees with questions on this policy or issues related to drug or alcohol use in the workplace should raise their concerns with their supervisor or the Human Resources Manager without fear of reprisal

## **703 Sexual and Other Unlawful Harassment**

UPM is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Actions, words, jokes, or comments based on an individual's sex, race, color, national origin, age, religion, disability, or any other legally protected characteristic will not be tolerated.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser.

Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

- (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment;
- (2) submission to such rejection of the conduct is used as a basis for making employment decisions; or,
- (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to your supervisor. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact the Personnel Manager or any other member of management. You can raise concerns and make reports without fear or reprisal or retaliation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of the investigation.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise the Human Resources Manager or any member of

management so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

## **704 Attendance and Punctuality**

To maintain a safe and productive work environment, UPM expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on UPM. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence.

It is employee's responsibility to report any absence directly to their supervisor. If your supervisor is unreachable, you must leave a voice mail message in your supervisor's box.

All main office employees must report any absence to the Human Resources Manager or leave a message on the Human Resources Managers voice mail.  
All site managers should contact either the Director of Property Management, and if he or she is not available, contact the Human Resources Manager.

All superintendents or assistants should contact their supervisor, and if he or she is unreachable, they should contact the Human Resources Manager.

Poor attendance and excessive tardiness are disruptive. Either may lead to disciplinary action, up to and including termination of employment.

## **705 Personal Appearance**

Dress, grooming, and personal cleanliness standards contribute to the morale of all employees and affect the business image UPM presents to the community.

During business hours or when representing UPM, you are expected to present a clean, neat, and tasteful appearance. You should dress and groom yourself according to the requirements of your position and accepted social standards.

It is important for all site staff to present a professional image to the public when transacting business. In order to maintain a positive image and foster public confidence, staff members must dress appropriately for work.

Your supervisor or department head is responsible for establishing a reasonable dress code appropriate to the job you perform. Consult your supervisor if you have questions as

to what constitutes appropriate appearance. Where necessary, reasonable accommodation may be made to a person with a disability.

**General Guidelines for Both On-Site and Maintenance Employees:**

Staff will wear clean and well-maintained attire appropriate for the type of work they do. Personal grooming and good hygiene are required; facial hair must be properly trimmed. Identification must be displayed at all times. Maintenance staff are required to wear a company issued photo ID. Site Managers are required to wear their individual name tag.

In compliance with this policy, the following are not allowed:

- Jeans or Denim (except on snow days)
- Tank Tops, Halter Tops, or Tube Tops
- Torn, Patched/Faded Clothing
- Muscle Shirts
- Strapless Sun Dresses
- Skirts shorter than 4 inches from knee
- Shorts
- Sweat Suits, Warm Up Suits, or Sweat Pants
- Clothing that reveals cleavage or stomach
- Shirts with slogans or large-letter advertising
- Clothing that has words, terms, or pictures that may be offensive to other employees. This includes images that are political or religious in nature, sexually provocative, or that use profanity.
- Excessive earrings or visible piercings other than in your ears

**Maintenance Staff Guidelines:**

Maintenance must wear company provided shirt and company provided pants or shorts. If other pants or shorts are worn, they must be hemmed, clean, free of stains, and of a neutral color. No camouflage or sport shirts.

No open toe shoes, such as flip flops, are allowed. Steel toe and/or slip proof shoes should be worn when needed.

Maintenance staff must use appropriate safety equipment, per OSHA guidelines.



## **706 Return of Property**

Employees are responsible for all UPM property, materials, or written information issued to them or in their possession or control. All UPM property must be returned by employees on or before their last day of work. Where permitted by applicable laws, and with written permission from the employee, UPM may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. UPM may also take all action deemed appropriate to recover or protect its property.

## **707 Resignation**

Resignation is a voluntary act initiated by the employee to terminate employment with UPM. UPM requests at least 2 weeks' written resignation notice from all employees. If the notice is properly given, pay for accumulated but unused sick time and vacation leave will be given to the resigning employee consistent with the UPM policy covering sick time and vacation leave.

## **708 Security Inspections**

UPM wishes to maintain a work environment that is free of illegal drugs, alcohol, firearms, explosives, or other improper materials. To this end, UPM prohibits the possession, transfer, sale, or use of such materials on its premises. UPM requires the cooperation of all employees in administering this policy.

Desks, lockers, and other storage devices may be provided for the convenience of employees but remain the sole property of UPM. Accordingly, they, as well as any articles found within them, can be inspected by any agent or representative of UPM at any time, either with or without prior notice.

## 800 Employee Acknowledgement Form

### EMPLOYEE ACKNOWLEDGEMENT FORM

The employee handbook describes important information about UPM, and I understand that I should consult my supervisor regarding any questions not answered in the handbook. I have entered into my employment relationship with UPM voluntarily and acknowledge that there is no specific length of employment. Accordingly, either I or UPM can terminate the relationship at will, with or without cause, at any time, so long as there is no violation of applicable federal or state law.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur, except to UPM's policy of employment-at-will. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the chief executive officer of UPM has the ability to adopt any revisions to the policies in this handbook.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received this handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revision made to it.

EMPLOYEE'S NAME (printed): \_\_\_\_\_

EMPLOYEE'S SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

