

**Moriden America, Inc.**

**Associate Handbook**

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## **INTRODUCTION**

Employment with Moriden America, Inc. (MAI) is voluntarily entered into, and the associate is free to resign at will at any time, with or without cause. Similarly, MAI may terminate the employment relationship at will at any time, with or without cause.

The policies set forth in this handbook do not establish or imply a contract and may be changed unilaterally by MAI at any time with or without notice. Nothing in this handbook is written to guarantee employment or the terms or conditions of employment or to restrict in any way the right of any associate or MAI to terminate employment at any time for any reason or no reason. Unless authorized by a written agreement, signed by the Vice President of MAI, no manager or other representative of MAI has the authority to enter into any agreement for employment for any specified period of time.

The provisions contained in the Associate Handbook supersede all existing policies and practices and may not be amended or added to without the express written approval of the Vice President of MAI.

## **THE ORGANIZATION**

### **Our Company**

Moriden America, Inc. (MAI) is a profit-oriented, development, manufacturing, and distribution company. MAI competes based on the quality of our product, continuous improvement, outstanding service, cost and relying on a network of communication with our suppliers and customers. We can do this only when all associates are able to work together productively and enthusiastically as a team, with coordinated decisions and integrated action toward continuous improvement for a long-term competitive position.

### **Our History**

MAI is an international business, engaged in the development, sales and marketing, production, and distribution of interior materials and parts for the “original equipment manufacturer” (OEM) marketplace. We were founded in the United States in 1988 as the American subsidiary of Moriden Company, LTD, which has its headquarters and operations in Japan.

Moriden Company, LTD is an old and well-established company in Japan. It began operations with a store in Tokyo in 1924 and became Moriden Company, LTD in 1953. It has grown to eight locations and over 200 associates throughout Japan. This parent company manufactures and markets interior material for automobiles, railroad coaches and furniture accessories. Its principal customers in Japan include Fuji Heavy Industries (car builder of the Subaru line of vehicles) and Mitsubishi Motor Company, LTD.

Moriden America, Inc. began operation in Detroit, Michigan in 1989, opened operations in Indianapolis a year later, and in 1993 moved its total operations to Indianapolis. MAI is an Indiana corporation.

MAI interfaces as a value-added partner in the design, development, production, and “just in time” delivery of materials and assemblies to automobile builders. Our current customers are Japanese automotive companies in North America. Our expertise in automotive textile and parts engineering and design provides our customers with cost effective raw materials and the efficient assembly of parts to benefit our customers’ bottom line. Successful product

development, quality materials and service, and successful interaction with vendors and customers are a critical aspect of the success of Moriden America, Inc. and our customers.

### **Teamwork, Quality, and Customer Focus**

Every associate performs an important role in maintaining MAI as a successful business with positive relations with customers. We all need to work together to maintain a positive, fair, and productive work environment.

Quality product and service to our customers is the primary key to our long-term success. Therefore, our focus must always be on meeting the needs of customers in a responsive, competitive environment. Each of us must be flexible and willing to put customer needs as a high priority.

For MAI to grow and continue to be successful, all of us, individually and collectively, need to be resourceful, responsible, flexible and responsive to change. It is very important that we are able to anticipate needs, not only internally among ourselves, but also of our customers.

### **Company Goals**

- Provide a safe and clean work environment for our associates.
- Meet or exceed all quality expectations of our customers.
- Establish production processes that guarantee in-line quality.
- Maintain production flexibility through advanced technology.
- Increase cost competitiveness.
- Refine the product development system.
- Pursue an expanding customer base.
- Improve administrative efficiencies.
- Maintain a company-wide associate development system.
- Provide fair and equal opportunities for all associates.
- Be a good corporate partner with our local community.

### **QUALITY STATEMENT**

Moriden America, Inc. will strive to continuously improve our business to meet our customers' expectations in the areas of quality, service, and delivery.

## **EMPLOYMENT**

### **1.01 Equal Employment**

Moriden America, Inc. strictly follows a policy of non-discrimination in all employment policies, practices, and other aspects of employment. Our employment policies and practices treat everyone equally. We hire and develop the best people available, based upon job-related qualifications. No distinctions are made in rates of pay or employment opportunities, including recruiting, hiring, training, benefits, promotions, transfers, or treatment on the job based on race, color, religion, creed, age, sex, sexual orientation, gender identity, disability, national origin or ancestry, veteran status, genetic information, or any other characteristic protected by law.

### **1.02 Disabled Individuals**

MAI adheres to all statutes and regulations regarding the employment of persons with disabilities. There will be no unlawful discrimination against any associate or applicant based on a disability. Anyone who has a disability will be treated in accordance with established laws.

If a current associate with a disability requires a reasonable accommodation to perform the essential functions of his/her job, it must be brought to the attention of the Company. A medical examination may be required. If job related and consistent with business necessity. MAI will provide reasonable accommodations for qualified individuals with disabilities in accordance with the Americans with Disability Act and the regulations related to the Americans with Disability Act.

### **1.03 Anti-Discrimination & Anti-Harassment**

#### Anti-Discrimination

MAI is committed to providing a work environment that is free of unlawful discrimination. This policy prohibits discrimination based on race, color, religion, creed, age, sex, sexual orientation, gender identity, disability, national origin or ancestry, veteran status, genetic information, or any other characteristic protected by law. If such discrimination occurs or an associate believes it has occurred, they should report such conduct to their supervisor, the Human Resources Department, or any manager. MAI will investigate all such charges and take such action as is indicated by the investigation. No retaliation will be taken against any associate making a good faith discrimination complaint.

#### Anti-Harassment

MAI does not tolerate unlawful harassment and is committed to providing a work environment for its associates free from harassment based on race, color, religion, creed, age, sex, sexual orientation, gender identity, disability, national origin or ancestry, veteran status, genetic information or any other characteristic protected by law. The Company will not tolerate, condone, or allow harassment whether engaged in by co-workers, supervisors, management, or non-employees who conduct business with the Company, whether on or off the Company's premises. Harassment is neither legal nor in keeping with the Company's philosophy of trust and mutual respect. Such action constitutes grounds for corrective discipline up to and including termination.

Examples of harassment may include but are not limited to, slurs, jokes, physical conduct, electronic communications (including e-mail and faxes), threats, graffiti, or verbal abuse, when the subject of such conduct is an associate's race, color, religion, creed, age, sex, sexual orientation, gender identity, disability, national origin or ancestry, veteran status, genetic information, or any other characteristic protected by law.

Sexual harassment is a specific type of harassment. For purposes of this policy, sexual harassment is defined as unwelcome conduct of a sexual nature, whether verbal or physical, when:

- (1) Submission to or rejection of such conduct is made a term or condition of an individual's employment; or

- (2) Submission to or rejection of such conduct is used for the basis of an employment decision, such as promotion, demotion, termination, or pay; or
- (3) Such conduct substantially interferes with an individual's employment or creates a hostile, intimidating, or offensive work environment.

Examples of sexual harassment may include, but are not limited to:

- making unwelcome comments about a person's clothing, body, or personal life.
- severe or pervasive sexual jokes or innuendoes.
- demands for sexual favors in exchange for favorable treatment or continued employment.
- unwanted overtures of a sexual nature; or
- other similar types of unwelcome behavior of a sexual nature.

#### Reporting of Harassment

The Company encourages reporting of all perceived incidents of harassment regardless of the accused individual's identity or position. While the Company encourages individuals, who believe they are being harassed to firmly and promptly notify the offender that his or her behavior is unwelcome, the Company also encourages associates to report incidents of harassment so that it can ensure that such misconduct does not reoccur. This is particularly important when direct, informal communication between individuals is either ineffective or impractical, or when the individual simply does not wish to confront the offender. The following steps should be followed in reporting a harassment complaint.

- (1) Notification: Individuals that believe they have been subjected to harassment, or who have witnessed another associate being subjected to harassment, should report the incident to his or her supervisor, the Human Resources Department, or any manager. If a complaint is made to a supervisor or other manager, this policy requires the supervisor or manager to immediately report the complaint to the Human Resources Manager.
- (2) *Time Frame* for reporting complaint: The Company encourages prompt reporting of complaints so that rapid response and appropriate action may be taken. However, late reporting will not in and of itself preclude the Company from taking remedial action.
- (3) Protection against retaliation: The Company will not retaliate against an individual who makes a good faith report of harassment nor permit anyone within the Company to do so. Such retaliation is a serious violation of this policy and should be reported immediately.

#### Investigating the Complaint

Any allegation of harassment reported under this policy will be promptly investigated. To the extent practical and appropriate under the circumstances, confidentiality will be maintained throughout the investigatory process. However, complaining parties should be aware that the Company's obligation to investigate may require interviews with the alleged offender(s) and/or other witnesses to the alleged misconduct.

#### Resolving the Complaint

Upon completing the investigation of a harassment complaint, the Company will communicate its finding and intended actions to the complainant and the alleged harasser. If the investigation determines that harassment has occurred, the harasser will be subject to appropriate disciplinary procedures, up to and including termination. Although the Company's ability to discipline a non-employee harasser is limited by the degree of control, if any, that the Company has over the alleged harasser, any associate who has been subjected to such harassment should inform the Company of that complaint immediately.

If an investigation results in a finding that the complainant falsely accused another of harassment knowingly or in a malicious manner, the complainant will be subject to appropriate sanctions, up to and including termination.



## **1.04 Drug and Alcohol Free Workplace**

MAI has a strong commitment to providing a healthy, safe and drug-free workplace for its associates. The Company expects associates to be in suitable mental and physical condition to be at work, performing their jobs satisfactorily, and behaving appropriately. Failure to meet these expectations will result in disciplinary action. The Company will treat chemical dependency as a health problem. Seeking assistance for such problems is encouraged and will not jeopardize an associate's job; however, seeking assistance will not be a defense to the imposition of disciplinary action where facts proving a violation of this policy or other company rules are obtained prior to an associate's request to participate in a rehabilitation program.

### Prohibited Conduct

Associates are prohibited from the following activities:

- (1) Unauthorized use, sale, distribution, or possession of alcohol, illegal drugs, or controlled substances while on company property or conducting company business.
- (2) Reporting to or remaining at work under the influence of alcohol, illegal drugs or controlled substances not used pursuant to and in accordance with the instruction of a physician; and
- (3) Refusing to submit to a required drug test, including (but not limited to) refusal to sign a drug or alcohol testing consent form, failure to provide an adequate and unadulterated sample for testing when required, or engaging in other conduct that obstructs the testing process.

### Consequences

Any associate who engages in prohibited conduct under this policy is subject to discipline, up to and including termination.

### Drug and Alcohol Testing

Drug and alcohol testing at a facility chosen by the Company will be conducted:

- (1) When there is reasonable suspicion to believe the associate has engaged in prohibited conduct under this policy.
- (2) When an associate is involved in a (work related) accident or injury (as determined by the Company).

If anyone has reason to suspect that another person working at MAI may be impaired by or may be in possession of alcohol or illegal drugs, it should be immediately reported to the Human Resources Department or the appropriate supervisor for further evaluation by company management. "Reasonable suspicion" of alcohol or drug impairment may be based on a variety of factors, including a person's unusual behavior or appearance.

Associates who are directed to undergo a drug or alcohol test for reasonable suspicion will be suspended, without pay, pending laboratory analysis of the sample. If the laboratory determines that the sample test is positive, or if a search reveals drugs, alcohol or unauthorized items, the associate will be disciplined up to and including termination. If the laboratory test is negative and the associate is found not to have engaged in conduct prohibited under this policy, the associate shall be entitled to back pay for the time suspended while waiting for the test results.

### Investigation

When the Company has reasonable suspicion to believe an associate has engaged in prohibited conduct under this policy, two or more company representatives may conduct a search on company premises of the associate's person, clothing, belongings, personal effects, automobile, locker, toolbox, and work area.

### Conviction or Sentencing for Illegal Drug Use

The Company reserves the right to impose disciplinary action, up to and including termination, on any associate who is convicted of or pleads guilty to any offense related to use, possession, distribution, or sale of illegal drugs or controlled substances, whether on or off company premises.

### **1.05 Company Position on Unions**

The management of MAI wants all associates to know that it believes a union at our operation is unnecessary. MAI is committed to dealing fairly and openly with all associates. We make every effort to respond promptly to associate needs and concerns and to consider the interests of associates when making business decisions. We believe that with these practices we are best able to resolve our problems or concerns ourselves and that union representation is not necessary.

### **1.06 Employment of Relatives**

Moriden America, Inc. does not prohibit employing relatives however, if the relationship between the family/relatives impedes production or causes problems to the company, management might attempt to transfer one or more of the family/relatives to another department or shift. If this is not possible or causes hardship to the company, it could result in the termination of one or more of the associates involved in the conflict.

### **1.07 Job Observation Period**

All associates will undergo a three (3) month job observation period for the purposes of training and orientation to the organization and to measure a new associate's performance. At the end of this period, the associate's progress will be assessed. Failure to meet adequate performance levels could result in termination of employment.

A job observation period is also required for newly promoted associates.

### **1.08 Layoff Policy**

It is the goal of MAI to offer stable employment to everyone and not to hire someone unless there is a reasonable likelihood that production levels will continue. MAI will use its best efforts to plan production schedules to reduce the impact of high and low production periods. However, it must be recognized that certain events might occur for which even the best efforts cannot prevent a short or long-term reduction in force.

In the event a layoff is necessary, associates will be retained based on the needs of the Company. When determining its needs, the Company will decide who will be laid off based on essential skills and knowledge. If two associates are deemed equally qualified, the associate with the least amount-of continuous service with MAI will be laid off first. The disruption associated with a layoff will be kept to a minimum, with the least possible number of people being affected as possible.

## HOURS OF WORK AND COMPENSATION

### 2.01 Hours of Work

The normal work shifts at MAI are as follows:

- First Shift Production: 6:30 am - 3:00 pm (Monday – Friday)
- Second Shift Production: 3:30 pm - 12:00 am (Monday – Friday)
- First Shift Office: 8:00 am - 5:00 pm (Monday – Friday)

Business may be conducted before and after these hours. These shifts may vary based on departmental needs, production schedules and the overall work requirements of the business. Each associate is expected to report to work regularly and on time each day. Associates are expected to be prepared to work and at their workstations or designated meeting places promptly at the beginning of their shift. MAI may change work schedules as business circumstances dictate.

### 2.02 Lunch

Lunch periods for hourly associates are thirty (30) minutes (unpaid) and are scheduled by shift/dept. Associates may leave the plant grounds during lunch, but must be at their respective workstations, ready to resume work, at the end of the scheduled lunch periods.

### 2.03 Rest Breaks

During each eight (8) hour shift there are two-ten (10) minute (paid) rest periods around the midpoint of each half shift. In the case of overtime, one additional five (5) minute rest period will be taken at the end of the regular eight (8) hour shift. Associates may not leave the plant grounds during paid rest breaks.

### 2.04 Overtime and Overtime Pay

It is the Company's intention to schedule production so that overtime will not be necessary. However, the nature of our business sometimes requires extra work hours (on a scheduled, unscheduled, and emergency basis) daily or on weekends. When possible, MAI will notify associates of overtime requirements as soon as practical. However, there may be times when little or no advance notice is possible. MAI attempts to fill all unexpected overtime requirements on a voluntary basis. If voluntary overtime coverage is not adequate to meet our customer's requirements, or if one or more associates have been working an excessive amount of overtime, MAI may, in a fair manner, assign overtime to any associate qualified to perform the required work.

MAI's "workweek" for payroll and overtime purposes begins at 12:01 am Monday and continues through 12:00 am (midnight) the following Sunday night. Eligible associates earn overtime pay after working more than 40 hours.

*All overtime* is paid at the rate of one and one half (1.5) the regular hourly rate of pay. A supervisor may ask an associate to take time off during any week that the associate has or will work more than regular work hours on any one day.

Unworked, but paid time, such as vacation, holidays, Paid Time Off day, jury duty, official closing, and bereavement pay is NOT counted toward the 40 hours in a workweek for purposes of calculating overtime.

### 2.05 Call Back Pay

MAI pays associates a guaranteed minimum for the inconvenience of being unexpectedly called back to work outside of their normal schedule shift. However, if an associate is still on the premises and is required to return for additional work, call back pay does not apply.

MAI will pay the associate a minimum of four hours at the regular rate or actual hours worked at the applicable rate, whichever is greater. If an associate is called in prior to the start of their scheduled shift and the associate works into their shift, call back pay does not apply.

### **2.06 Frequency of Pay**

MAI associates are paid on a bi-weekly basis. Payday is every other Friday except in the event the regularly scheduled pay date is a company paid holiday, in which case, the pay date may be moved up. The pay received on Friday will be for the two weeks prior to the week in which payday occurs. Pay is always one week in arrears. MAI makes payroll payment by paycheck or direct deposit.

### **2.07 Payroll Deductions**

In addition to Social Security and Medicare contributions, required federal, state and county taxes will be withheld from paychecks according to appropriate legal regulations. All court-ordered payments will be withheld in accordance with state and federal law.

Associate premium contributions for MAI's benefit plans will also be deducted via payroll, in addition to voluntary benefit deductions such as 401(k) and optional life insurance. Voluntary deductions must be authorized in writing by the associate.

### **2.08 Garnishments**

MAI is required by law to withhold pay if MAI is properly served with a notice of wage assignment, wage deduction or government levy. If this occurs, the associate will be notified of any pending action involving such wage withholding situations. MAI will only stop Income Withholding Orders upon receipt of a Notice of Termination of Income Withholding Order from the appropriate authorities.

## **ATTENDANCE AND TIME OFF**

### **3.01 Time Clock**

MAI maintains a time clock for recording hours worked for hourly associates. If you are an hourly associate, you will be required to clock in at the start of your work period and to clock out at the end of your work period. You will also clock out at the beginning of your lunch period and clock in at the end of your lunch period. You are expected to clock in when you are ready to begin your actual work period – not when you enter the building.

You may not ask another associate to clock in or out for you and you may not clock in or out for another associate. Doing so or attempting to falsify your time (or the time of any other associate) is a work rule violation.

### **3.02 Attendance and Tardiness**

Each associate at MAI is hired to perform an important function to ensure that we meet customer needs and provide for the long-term future of our Company. Therefore, attendance and punctuality are very important.

Absences cause a slow-down in work and add burden to your co-workers. Good attendance is something that is expected from everyone. You are expected to be at your workstation by the start of each workday at the time designated by your department manager. Excessive absenteeism or tardiness is unacceptable and will result in corrective action up to and including termination of employment.

All associates must use the yellow *Moriden American, Inc. Absence Form* to record any absence from work, paid or unpaid, planned, or unplanned. If the absence is planned, a completed form must be submitted to the appropriate supervisor for approval as far in advance as is possible. If the absence is unplanned, a form must be submitted upon the associate's return to work.

### **3.03 Calling In**

Regardless of the reason for your absence, you are expected to properly notify your supervisor at least one (1) hour prior to the start of your shift if you will not be able to be at work. You are required to call (317) 484-5555 option 5 and leave a message. **DO NOT LEAVE A MESSAGE IN THE COMPANY GENERAL MAILBOX.** If you will be late for work, you are still required to call prior to the start of your shift. This advance notice will allow the supervisor or manager to make necessary adjustments for the absence.

You are expected to call every day that you are absent unless you are on a leave approved through Human Resources. Unreported absences of three consecutive workdays will be considered a voluntary termination of employment with Moriden America, Inc.

### **3.04 Leaving Before Shift End**

When you report to work, your supervisor is relying on you for a full shift of work to help meet required work schedules. Leaving the plant prior to the end of the shift disrupts production and jeopardizes our chances of satisfying our job requirements and our customers' needs.

If it is necessary for you to leave your workstation during your shift due to a personal emergency, you must notify your supervisor and receive authorization to leave. This allows your supervisor to make necessary adjustments for the absence. Anytime an associate leaves the plant during work time without authorization, the associate may be considered to have voluntarily resigned from his/her position.

### **3.05 Missed Payroll Deductions**

Scheduled monthly billings to MAI for associate payroll deductions for the medical, dental, vision and optional life

insurance premiums will be paid by MAI for the associates who are on a leave of absence. Missed payroll deductions will be recovered at the end of each month during which an associate is on leave. Scheduled payroll deductions for all other items such as child support, etc. are the responsibility of the associate to pay directly to the appropriate recipient during the leave of absence.

### **3.06 Family and Medical Leave (FMLA)**

#### Purpose

To outline the conditions under which a MAI associate may request unpaid time off for a limited period of time with job protection and no loss of accumulated service, provided the associate returns to work.

#### Definition

A Family and Medical Leave absence is defined as an approved absence available to eligible associates for up to 12 weeks of unpaid leave per year under particular circumstances. Family and Medical Leave may be taken for the following purposes:

- Birth of the associate's child or placement of a child with the associate for adoption or foster care.
- When the associate is needed to care for a child, spouse, or parent with a serious health condition.
- When the associate is unable to perform the essential functions of his or her position because of a serious health condition.
- When the associate is needed to care for an injured military service member (spouse, son, daughter, parent or next of kin) who has suffered an injury or illness while on active duty (26 weeks of FMLA leave during a single (12) month period.
- When there is a "qualifying exigency" arising out of the fact that the associate's spouse, son, daughter, or parent is on active military duty or has been notified of an impending call or order to active duty.

#### Eligibility

Any MAI associate with at least 12 months of service and 1,250 hours of service during the past 12 months is eligible to receive up to a total of 12 weeks of unpaid leave during a 12-month period for certain family and medical reasons. The 12-month period begins with the effective date of leave. If you have worked at MAI through a temporary agency prior to becoming a MAI associate, your working hours with the temporary agency and MAI will count toward your 1250 hours.

#### Basic Guidelines and Conditions of Leave

A *Family and Medical Leave Request Form* must be submitted to the Human Resources Manager for approval. MAI will require medical certification to support a request for Family and Medical Leave for an associate's own serious health condition or that of a child, spouse, or parent.

In the case of a serious health condition of your own or your spouse, son or daughter, or parent, this 12-week unpaid leave may be taken all at once, or, in some cases, it may be taken on a reduced leave schedule or intermittent basis (i.e., shorter work hours or a shorter work week) if a health care provider deems it medically necessary. An associate may be temporarily transferred to an available alternative position with equivalent pay and benefits if the alternative position would better accommodate the intermittent or reduced schedule.

The 12-week unpaid leave or the remaining balance of this 12-week unpaid leave must be used all at once to care for a child immediately following the birth, or placement of a child with an associate for adoption or foster care.

The number of weeks of unpaid leave to which you are entitled is determined by measuring backwards 12 months from the date you will use the leave. Thus, each time you take this unpaid leave, the remaining leave entitlement will be any balance of the 12 weeks that has not been used during the immediately preceding 12 months. If your spouse is also employed by MAI, you and your spouse may take a combined total of 12 weeks of leave during the 12-month period if the leave is due to the birth of a child, the placement of a child in your home for adoption or foster care, or to care for a parent with a serious health condition.

Paid time off for short-term disability and workers' compensation will run concurrently with FMLA leave and will count as part of the (12)-week allowance.

Associates are required to use their available vacation time at the beginning of any period of family and medical leave, unless the leave period is for an associate's own serious medical condition that qualifies for benefits under MAI's short term disability benefit.

#### Leave Notification and Reporting Guidelines

When the need for leave is foreseeable, such as the birth or adoption of a child, or planned medical treatment, the associate must provide 30 days prior notification, unless circumstances prevent doing so, in which case the associate must give as much prior notification as is possible. Effort should be made to schedule the leave so as not to disrupt normal work responsibilities.

#### Medical Certification

An associate who requests FMLA leave for the associate's own serious health condition or that of the associate's child, spouse or parent must turn in an FMLA medical certification form. The form will be provided to the associate after the associate requests such FMLA leave. When the need for FMLA leave is foreseeable and at least thirty (30) day notice has been provided, you must provide the medical certification before the leave begins. When this is not possible, or when the need for FMLA leave is not foreseeable, the associate must provide the completed medical certification form to MAI within 15 days after you receive the form from MAI, unless it is not practical under the particular circumstances to do so despite your diligent, good faith efforts. If you fail to provide timely certification within 15 days, and there are no special circumstances, the beginning and/or continuation of your FMLA leave will be delayed until the required certification is provided, and your absence(s) will be treated as non-FMLA absence(s) under the Company's usual attendance policies until you provide the certification. If you turn in the completed medical certification form after the 15-day deadline (and there are no special circumstances), only the 20 days immediately prior to MAI's receipt of the completed form will be considered FMLA-eligible, unless MAI, in its sole discretion, designates otherwise.

#### Return to Work

Ordinarily, on return from family and medical leave, you will be placed in your previous position or an equivalent position with equivalent pay and benefits. If, however, you fail to return to work at the end of your leave, your employment may be terminated. You should contact the Human Resources Department to confirm your intention to return to work at least 2 weeks prior to the date your leave expires.

#### Benefits During Leave

If you are enrolled in the Company's group health insurance plan, you may continue your coverage for the duration of your leave by paying your normal premium amount. You should consult with the Human Resources Department concerning these payments before taking the leave.

### **3.07 Jury Duty**

Associates absent from their scheduled work shift to serve on a jury will continue to be paid by MAI for a reasonable period of time (10 days or less), but this may be extended by the Vice President. Proper documentation must be provided to Human Resources which includes the jury summons and documentation from the court of actual dates and times of jury duty.

Associates should notify their supervisor as soon as they receive a notice for Jury Duty. Associates are expected to return to work for the remainder of any day when they are excused from jury duty two or more hours before the close of their regular or scheduled work hours. You may receive compensation from the court for your time; however, MAI will not deduct those monies from your pay.

**3.08 Serving as a Witness**

MAI does not provide any pay to associates serving as a witness in any legal proceeding unless you are testifying on behalf of MAI and at MAI’s request. In that case, you will continue to be paid your normal wages. If you are called to testify on behalf of another party, you will need to use vacation or unpaid time for such witness appearance.

**3.09 Military Leave**

Full-time associates who are members of the uniformed services will be granted military leave for absences from work in accordance with state and federal laws, including but not limited to the Uniformed Services Employment and Reemployment Rights Act (“USERRA”). The associate should contact Human Resources if they enlist, are called to active duty, or need to attend a military training period and will need to provide appropriate documentation for all military service. Please notify your supervisor of scheduled training as soon as possible, so adequate preparation can be made for your time away from work.

You are required to return to work upon completion of your military service as stated by the dates shown on your reporting notice, or as may otherwise be required by applicable law.

**3.10 Bereavement Leave**

MAI recognizes that the time of bereavement for the death of a family member is very difficult for an associate, and MAI will make every effort to ensure that the associate is able to attend to family matters.

Paid Bereavement Leave for necessary time off will be provided as follows:

Relationship	Time off
Spouse, Child, Step-Child, Parent or Step-Parent	5 days
Mother/Father-In-Law (including step)	3 days
Son/Daughter-In-Law (including step)	
Sister/Brother (including step & half)	
Grandparent (including step & great)	
Grandchild (including step & great)	
Sister/Brother-In-Law	1 day
Uncle/Aunt	
Niece/Nephew	
First Cousin	
Grandparent-In-Law	

Please notify your supervisor as soon as you can if you will need leave for a death in the family. MAI may ask you to verify your relationship with the deceased through an obituary or funeral notice.

The Vice President may make exceptions to this policy, with or without pay, based on individual and geographical circumstances.

If an associate is called away from a shift due to a death in the family, the associate may choose to be paid for the remainder of the day as bereavement pay. The remainder of the day would then be counted as one full day of bereavement. Since there may be instances in which an associate might not require the maximum amount of bereavement leave, the circumstances surrounding the request should be discussed with the appropriate supervisor or Human Resources prior to approval of the leave.



## ASSOCIATE RELATIONS

### 4.01 Open-Door Policy

Any associate should feel free to bring a complaint or problem to the attention of any supervisory person right up to the Vice President of the Company. To assure fair, prompt, courteous, and understanding attention, associates should address their complaints in the following manner:

- (1) Any concern should normally be discussed first with the associate's immediate supervisor who should objectively discuss the subject with that associate and sincerely attempt to understand the associate's point of view in effort to resolve the concern.
- (2) The immediate supervisor will report back to the associate the action that will be taken in response to the expressed concern and why that response has been chosen.
- (3) If the associate is not satisfied with the results obtained through the immediate supervisor, the concern may be discussed successively with the next higher supervisory level.

The Human Resources Department is available to assist an associate at any level in this process. The Human Resources Department will either assist the associate in communicating the matter or, if the associate wishes, and it is appropriate, a department representative will handle the complaint and keep the associate's name confidential. All associates are assured that there will be no reprisal from any concern that has been submitted in good faith. Please remember that the management of MAI believes that open and frank communication is the key to our efficient operation.

For concerns regarding discrimination or harassment, please follow the reporting procedures set forth in the Anti-Discrimination/Anti-Harassment policy.

### 4.02 Speak Out Letter

The *Speak Out Letter* provides a channel through which individual concerns, opinions, questions, or problems can be processed. The Speak Out Box location is in the associate entrance hallway and has a supply of blank forms. Any associate may complete a form. Signing the form is optional. The Human Resources Manager will determine the appropriate method of response.

### 4.03 Service Recognition

Service awards are intended to recognize associates who have contributed to MAI's continuing success. MAI associates will receive their first service award at the completion of five years of employment and will then receive awards at every five (5) year milestone thereafter. After the completion of an employees first five years of employment, the employee will be eligible for a \$250.00 gift card and one additional vacation day. After the completion of ten years of ten years of employment the employee will be eligible for a \$250.00 gift card and an additional vacation day.

This could change year to year.

### 4.04 Transfer and Promotion

This policy provides associates with a system for requesting changes of job assignment through either transfer or promotion. The growth of MAI is dependent upon the growth and development of its associates. The policy of open transfer and promotion requests is intended to aid in this growth and development.

MAI intends to post job openings, unless it is in the best interest of the Company to not do so. If you would like to be considered for an open position, you should complete an *Application for Posted Position* and submit it to Human Resources by the deadline listed on the job posting.

### Transfer

A job transfer is the movement of an associate between production shifts in the same position and will be awarded based on length of service. To be eligible for a transfer, you must:

- Meet the position qualifications for the vacant position
- Have completed 3 or more months of employment with MAI
- Have completed 3 or more months of employment in your current position
- Have not received any written corrective action within the past 12 months

The timing of the transfer will be determined by the Company after staffing levels and training needs are met on the outgoing shift.

### Promotion

A promotion is defined as a change in job title. The criteria used to make a promotional decision include an associate's attitude, skills, experience, dependability, performance history, and overall involvement. For most jobs, length of service is considered only when other factors are considered equal among two or more persons.

All associates submitting an *Application for Posted Position* will be interviewed and/or tested as a first phase in the selection process. Other persons (either inside or outside the Company) might also be interviewed.

## **4.05 Associate Performance Reviews**

As a new associate, you will receive frequent job-related information, coaching, and input from your supervisor during the early weeks of employment, and your performance and attendance will be monitored closely. If there are problems in these areas, your supervisor will discuss this with you.

To ensure performance expectations are communicated and an evaluation of that performance is provided formally, MAI has established an annual performance review for all associates. New associates and promoted associates will also be reviewed at the end of their initial three (3) month job observation period. Associate reviews will be completed by immediate supervisors. These discussions are intended to enable the associate and the supervisor to have specific two-way communication over key issues related to the associate's performance.

Pay increases are effective on the first day of the full pay period following the scheduled review date.

## **4.06 Employment References**

Requests for information about current or former associates or temporary employees must be referred to the Human Resources Department. Associate employment information is considered confidential. Therefore, strict observance of this policy is mandatory for all associates.

## **ASSOCIATE RESPONSIBILITY**

### **5.01 Rules of Conduct and Corrective Action**

MAI believes that all associates have a right to work in a respectful and safe workplace. It is hoped that all associates of MAI are self-disciplined individuals who conduct themselves responsibly. This, however, may not always be the case. For that reason, and in order to ensure continuous and successful operation of the Company, all associates must observe certain rules. Objectionable or unfavorable behavior or violation of MAI Rules of Conduct will not be permitted and will result in disciplinary action including any of the following:

- Verbal Warning
- Written Warning
- Suspension without pay
- Termination of employment

The discipline of an associate will depend on the severity of the infraction. Serious infractions may warrant immediate suspension or termination even for a first offense. Repeated infractions of a less serious nature may result in progressively more serious disciplinary actions, up to and including termination.

Behavior which may result in disciplinary action up to and including termination includes, but is not limited to:

- Falsification of or making material omissions from the employment application or other documents submitted to obtain employment, regardless of when the falsification or omission is discovered.
- Falsification of other employment-related documents, such as time records, expense reports, medical documentation, leave of absence documentation, etc.
- Knowingly clocking in or out for another associate.
- Carelessness in observing quality.
- Violation of MAI's attendance policy.
- Failure to meet MAI's performance standards.
- Disregard and/or violation of safety rules.
- Failure to report injuries or accidents immediately.
- Performance of substandard work.
- Insubordination, including refusal to perform assigned work.
- Unauthorized or excessive absence or tardiness.
- Failure to give adequate notification of absence.
- Failure to return to work following a leave of absence.
- Stopping work before designated quitting time.
- Abusing lunch or rest periods.
- Leaving a workstation or assigned duties during working hours without permission.
- Walking off the job and/or leaving the premises without permission.
- Dishonesty, deception, or fraud.
- Theft, willful damage or malicious hiding of another associate's or company property. This includes misuse or misappropriation of company property or money, or property or money of another associate.
- Misuse of machinery or property.
- Use of abusive or threatening language either to or about others, this includes inappropriate language to or about others.
- Creating an intimidating, hostile, or offensive work environment.
- Violation of the Anti-Harassment and Anti-Discrimination Policy.
- Fighting or threatening bodily harm on company property, on company business or at any company event.
- Throwing things, sleeping on the job, horseplay.
- Violating the Company's Drug and Alcohol-Free Workplace policy.
- Violating the Company's policy Firearms, Weapons and Explosive Devices policy.
- Interfering with the harmonious work of others.

- Releasing confidential information.
- Engaging in other objectionable or unfavorable conduct.
- Conduct and/or behavior that reflects unfavorably on MAI or its associates.
- Violation of the Company Conflict of Interest policy.
- Failure to report to work or call in for three consecutive workdays without an explanation satisfactory to MAI.
- Smoking or using tobacco products in unauthorized areas.
- Conviction of a felony.
- Engaging in illegal activities such as gambling or trafficking stolen goods.
- Violation of any company policy.

### **5.02 Confidential Business Records**

Every person hired by MAI is required to sign a confidentiality agreement with respect to confidential information related to MAI products, customer lists, pricing, customer sales volume, financial records, and employment records. Our business is highly competitive and the release of this type of information could be very damaging to our Company or our customers. All confidential information must be kept internally within the plant, and the release of this information is prohibited while employed as an associate of MAI or anytime thereafter.

### **5.03 Solicitation**

The following rules apply to solicitation on MAI premises:

- Non-associates are not allowed on company premises for any purpose of solicitation or distribution of literature.
- Associates may not distribute literature or other similar material in work areas at any time.
- Associates may not solicit for any cause anywhere on company premises during assigned work time.
- Associates may solicit or distribute literature in non-work areas during breaks and non-work time.

### **5.04 Professional Conduct**

While you are engaged in performing work for MAI, we expect you to conduct yourself in a professional and business-like manner when interacting with each other and other persons who are engaged in a business or professional relationship with MAI. This includes observing MAI's policy regarding harassment of any type.

### **5.05 Conflict of Interest**

The success of our business is dependent upon customer confidence in our products and services and the ethical and legal manner in which we conduct business. All associates are expected to act solely for the benefit of the Company in any transaction involving MAI. The guiding principle of our policy concerning conflict of interest is that all associates must avoid situations in which their personal interests may conflict, or even appear to conflict, with the interests of MAI.

It is not possible in this Handbook to list every situation that might give rise to a conflict of interest. In general, a conflict of interest may result from any business, commercial or significant investment interest you or any member of your immediate family may have with any vendor, customer, or competitor of MAI.

If you have any questions about a potential conflict of interest, please discuss that matter with the Human Resources Manager.

### **5.06 Outside Employment**

We expect that your responsibilities with MAI will take priority over any outside employment. Scheduled work, required travel, and other commitments of your job at MAI may not be rearranged to accommodate any outside

employment-related activity. Whether you work full time or part time, your employment with MAI may be jeopardized if any outside employment has a negative impact on your performance at MAI.

### **5.07 Gifts and Gratuities**

Associates may not accept any gifts, gratuities, accommodations or entertainment from individuals, companies, or organizations doing business with, or desiring to do business with MAI, except the customary minor amenities, and meals or entertainment arising from business discussions or dealings on behalf of MAI. Valuable gifts (with a value greater than \$50.00) or smaller gifts received on a frequent basis must be reported to the Human Resources Manager. All business decisions are to benefit the Company as a whole rather than benefiting an individual associate.

### **5.08 Associate Records**

All MAI associates are responsible for immediately notifying the Human Resources Department whenever any of their personnel information changes. All information in associate records will be maintained in a confidential manner.

The information kept by Human Resources includes, but is not limited to, the following:

- Associate address
- Associate telephone number
- Emergency contact and telephone number
- Marital status for tax filing purpose and benefit information
- Federal and state tax deductions
- County taxes
- Beneficiaries for 401(k) and life insurance

Associate files may not be removed from the Human Resources Department. If you wish to review your associate file, you may do so by contacting the Human Resources Manager. You may view any document in your associate file.

Employment records are confidential, and MAI does not knowingly respond to any inquiry about your employment or a credit reference without your written permission to do so unless we receive a valid court order to do so. If your employment with MAI ends, we will generally only provide dates of employment, position(s) held, and rate of pay, unless you have provided written permission to do otherwise. In all cases, employment record information is released only through the Human Resources Department.

### **5.09 Use of Company Property**

All MAI property, including the building, equipment, vehicles, office supplies, and materials is intended for MAI business use only. These things include, but are not limited to stationery, office supplies, postage and stamps, telephone, copiers, printers, typewriters, computers, tools, and other pieces of equipment.

### **5.10 Company Telephones and Personal Calls**

MAI's telephones are provided for company-related business purposes. If you have a telephone assigned to your desk or if you have been authorized to use a company cell phone, you may use the phone for limited personal purposes.

If you do not have a telephone assigned to your desk and you must be contacted in an emergency, you may be called through the main telephone number (317-484-5555). The caller should advise the telephone operator that the call is of an emergency nature and the message will be taken to your supervisor immediately.

### **5.11 Cell Phones**

Cell phones are not permitted on the factory floor. Cell phones may be used during authorized breaks and lunches. Office personnel may use their phones as part of Two factor Authentication, all other use calls or texts must be limited.

### **5.12 Clothing Standards**

It is important that all MAI associates dress in an appropriate manner to ensure that customers, visitors, and other associates are not offended and that MAI's image is not negatively impacted. All associates are expected to appear in clean; neat clothing that is not wrinkled or torn.

MAI associates are encouraged, but not required to wear MAI company clothing. Associates should only wear MAI clothing while they are commuting to and from MAI and while they are at work at MAI. When wearing this clothing, associates are representing MAI, and they should conduct themselves in a professional manner.

MAI recognizes a "business casual" dress standard for office areas. The following apparel is not considered "business casual":

- Jeans (only permitted on Friday's)
- Shoes or boots designed for athletic or sport purposes, or flip flops
- Casual t-shirts
- Shirts with any type of advertising (other than a shirt with the manufacturer's "brand" insignia or logo)

Associates working in the production and warehouse areas are not required to wear "business casual". Acceptable clothing includes:

- Long or short sleeve tops
- Zip up or pullover sweatshirts
- Long pants or jeans
- In extremely hot weather, mid-thigh length shorts are permitted if the wearing of such shorts will not be a safety factor

The following apparel is not acceptable:

- Undershirts or tank tops
- Skirts or dresses
- Clothing or caps/hats with offensive terminology/graphics or which advertise cigarettes, drugs, or alcohol.

## **BENEFITS**

### **6.01 Shutdown**

MAI normally shuts its business down for two different weeks each summer and for a week at the end of the year. For a summer shutdown, all associates will take one week of shutdown determined by the Company or their manager depending on company need. During summer shutdown, associates who have earned vacation time are recommended to set aside a designated number of these days for “common vacation” days per the Company calendar.

### **6.02 Holidays**

Full-time associates are eligible for paid holidays recognized by MAI. Part-time associates are eligible for paid holidays if they would normally be scheduled to work on the day the holiday occurs. You become eligible for holiday pay immediately upon employment.

Holidays will be decided each year taking into consideration the calendar and our customers’ production schedules. The typical holidays recognized by MAI are:

- New Year’s Day
- Martin Luther King Jr. Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Holiday Period (generally 5 days)

Additional holidays may be identified each year.

If you are required to work all or part of a holiday, you will be paid for the holiday and you will receive time and one-half (1.5) for the hours you are required to work.

You must work your full scheduled workday the day before and after a holiday to receive holiday pay, unless you have been approved in advance for time off before or after the shutdown.

### **6.03 Paid Time Off (PTO)**

Each year, the Company will designate a certain number of PTO days that fall during one, or both of the shutdown periods. To be eligible for this additional paid time off, you must work the day before and after the shutdown, unless you have been approved in advance for time off before or after the shutdown.

You will not receive PTO if you are receiving short term or long term disability or workman’s compensation.

### **6.04 Vacation**

All regular associates are eligible for MAI’s paid vacation benefit. Your earned vacation is determined based on your length of service on January 1 of each year and is to be used during the calendar year January 1 through December 31.

#### Accrual:

For associates who have more than one year of service as of January 1, vacation is earned according to the schedule below:

Length of Service	Vacation Days Earned
1 year but less than 5 years of service	10 days (80 hours)
5 years but less than 15 years of service	15 days (120 hours)
15 years of service or more	20 days (160 hours)

During the first year of hire and through the following year which includes your one (1) year anniversary date of employment, your earned vacation is determined according to the following schedule:

Month of Hire	Vacation Days Earned on the Eligibility Date in Year of Hire	Eligibility Date in Year of Hire	Vacation Days Earned Jan 1 after hire date
January	5	July	10
February	4	August	10
March	3	Sept	10
April	2	Oct	10
May	1	Nov	10
June	-	Dec	10
July	-	-	9
August	-	-	8
September	-	-	7
October	-	-	6
November	-	-	5
December	-	-	4

One "day" of vacation means eight (8) hours. Part-time associate vacation days will be prorated on the number of hours a week you regularly work.

Service:

For purposes of computing vacation, credit for a full month's service is given if any days are worked during that month. Service includes consecutive years of service with MAI. If you have a break in service that is less than your length of original service, but no more than 12 months, you will be credited for your original service with MAI for purposes of counting years of service.

Use:

You may take vacation days in units of four (4) or eight (8) hour increments. Up to eight (8) hours of vacation each year can be used in two (2) hour increments; however, it must be pre-scheduled and used at the beginning or end of your shift.

Approval:

You will complete a *Moriden America, Inc. Absence Form* to request vacation. Please provide as much advance notice as possible because your supervisor's ability to approve vacation is based on business demands at the time, work schedules, and the number of people requesting vacation at the same time. If more than one person requests vacation for the same time, and the number of people who can be off at the same time is limited, the person who requested the dates first will be given preference for the requested time. If both requests are submitted at the same time, the associate with a longer length of service will be given preference. Depending on business needs, the Vice President may also identify "black out" periods during which time no vacation may be approved for the entire organization, or personnel in certain jobs. Similarly, a department manager may identify "black out" periods for department personnel, based on departmental demands.

- Associates who have a home country outside of the United States will be eligible for an additional one week of non-paid time off, every **other** calendar year.
- The Human Resources department will be responsible for the tracking and approval for all qualified Moriden associates. Any qualified management associate must also get the written approval from the vice president.



- Any associate wanting to request this additional non-paid time off must submit a written request to the Human Resources department. Once it is determined that the associate meets all of the policy requirements, approval can be granted. An associate might be denied the request if the additional time off will be a hardship to the company.

#### Carryover

You may not carry vacation days over from one year to the next, with two exceptions:

- The Vice President approves vacation carryover due to an extenuating business circumstance that prevented the associate from using all of their vacation days in a given year.
- An associate had requested and been approved for vacation, but MAI later requested that the associate not take the vacation, due to an unforeseen business condition. In such case, only the vacation time that had been approved may be carried over.

#### Termination

An associate whose employment at MAI ends is eligible to receive pay (at his or her then-current rate of pay) for any unused vacation following the last day of employment. Unused vacation pay will be paid on the date of the next regular payroll cycle.

### **6.05 Attendance Bonus**

As a reward for consistency and dedication, full-time, hourly associates (this does not apply to office hourly personnel) can earn a \$50 quarterly bonus for perfect attendance. The attendance bonus is for **perfect attendance only**, meaning no tardiness or absence of any length, except for Bereavement Leave, Jury/Witness Leave, paid Military Leave, Family and Medical Leave (FMLA), PTO, Holiday, or pre-scheduled vacation. Associates who earn an attendance bonus for all four quarters of a calendar year will receive an additional \$200 bonus after the end of the year. This means if an associate completes four quarters of perfect attendance, they will receive a total of \$250.00. This amount could change year to year.

Only full-time hourly associates who are in an active pay status for the entire quarter will be eligible for the attendance bonus. An associate will not be eligible for the attendance bonus in the event he/she enters into inactive pay status, unless that inactive pay status is due to Family and Medical Leave (FMLA). Inactive pay status is defined as an absence of pay for one (1) week, five (5) consecutive workdays of leave or unpaid absence, or a disciplinary suspension of any length.

### **6.06 Medical/Prescription Drug Insurance**

Full-time associates are eligible for medical and prescription drug insurance coverage at the completion of the defined waiting period. Associates must select this benefit prior to the completion of the defined waiting period. An associate that fails to enroll during the defined waiting period will have to wait until the next open enrollment unless a qualifying event occurs.

Most of the cost of this insurance coverage is paid by the Company. An associate's contribution to the monthly premium cost will be deducted on a pre-tax basis via payroll deduction. Associates will be responsible for all co-payments, co-insurance, and out-of-pocket expenses in accordance with the schedule of benefits. For detailed information on the benefits, please refer to the Plan Document or your Summary Plan Description. You may also contact the Human Resources Department if you have any questions.

### **6.07 Dental/Vision Insurance**

Full-time associates are eligible for dental and vision insurance coverage at the completion of the defined waiting period. Associates must select this benefit prior to the completion of the defined waiting period. An associate that fails to enroll during the defined waiting period will have to wait until the next open enrollment unless a qualifying event

occurs.

Most of the cost of this insurance coverage is paid by the Company. An associate's contribution to the monthly premium cost will be deducted on a pre-tax basis via payroll deduction. Associates will be responsible for all co-payments, co-insurance, and out-of-pocket expenses in accordance with the schedule of benefits. For detailed information on the benefits of each Plan, please refer to the Plan Document or your Summary Plan Description. You may also contact the Human Resources Department if you have any questions.

#### **6.08 Life/Accidental Death & Dismemberment**

MAI provides life and accidental death and dismemberment insurance for all full-time associates at the completion of the defined waiting period. The premium is paid by the Company. The associate must complete a beneficiary form. The death benefit payable to your beneficiary is equal to your annual earnings up to \$50,000. Refer to the life insurance booklet provided in orientation for further details.

MAI also offers a voluntary life insurance program for associates to purchase additional coverage for themselves and for their dependents. Premiums are paid via payroll deduction. The policies are priced at a group rate and may be continued by the associate through direct billing upon leaving MAI. The associate must complete a beneficiary form. Details of this benefit are provided during orientation.

#### **6.09 Workers' Compensation**

If you have a work-related illness or injury, MAI Workers' Compensation insurance policy provides benefits to you for medical expenses and partial disability compensation during the period of time that you are unable to work. This program is based on the laws of the State of Indiana and is administered in accordance with applicable regulations. All premiums for Workers' Compensation insurance are paid by MAI and insurance is effective on the first day of employment.

Any associate injured on the job must immediately report that injury to his or supervisor or manager and complete an *Associate Injury/Illness Report*. Please refer to *Accident or Injury at Work* in the Health and Safety section of this Handbook for further information.

#### **6.10 Unemployment Insurance**

Taxes are paid by MAI to the federal and state governments under the Unemployment Compensation Section of the Federal Social Security Act. The unemployment insurance fund created by these contributions is used by the State of Indiana to pay workers who are temporarily unemployed and who meet the requirements of the government program.

#### **6.11 Payroll Taxes**

All mandatory income taxes (federal, state and county) are deducted from associates' pay. It is the individual's responsibility to inform the Human Resources Department of a change in residence or status that affects their tax responsibility.

#### **6.12 Social Security/Medicare**

All MAI associates are covered by the Federal Insurance Contributions Act (FICA), which is designed to provide a portion of your retirement income after an age defined by federal law. This is commonly referred to as Social Security, and you and MAI pay for it equally based on a tax percentage determined by the federal government. The individual's portion of the tax must be deducted from each paycheck by the Company and paid to the Federal government along with an equal payment by MAI.

You and MAI also make a contribution each pay period for your Medicare benefit after you turn 65. These contributions are made along with FICA contributions, the amount being established under federal law.

### **6.13 Savings and Retirement Plan**

MAI provides a 401(k) Plan for all eligible associates, for the purposes of deferring income for long-term savings and retirement. You are eligible to participate in this plan after the completion of required waiting period and have reached the age of 19.

Under this plan, you may make pre-tax contributions from your MAI earnings via payroll deduction up to the maximum amount allowed each year by the Internal Revenue Service. MAI will match your contributions dollar-for-dollar up to a maximum amount of 3% of your gross pay each pay period. You direct where your contributions and the Company contributions are invested based on investment options that the plan provides.

Detailed information about the plan and investment options will be provided during your enrollment session.

### **6.14 Employee Assistance Program (EAP)**

With concern for the well-being of all associates, MAI sponsors the Employee Assistance Program (EAP) to help associates and eligible dependents who are experiencing personal difficulties. The EAP is an independent assessment, referral and follow-up service provided through a contracted health care services provider.

It provides short term counseling for associates, spouses, and dependents. Common reasons for using the EAP counseling include family or marriage problems, use of alcohol or other chemical substances, financial issues, personal or work-related problems, etc. This program provides the opportunity not only to schedule personal consultations with a professional EAP counselor, but also direct access to an EAP telephone hotline, 24 hours a day, 7 days a week. Any contact you make with the EAP is strictly confidential: MAI IS NEVER TOLD BY THE EAP WHO UTILIZES THE PROGRAM.

### **6.15 Disability Insurance**

MAI provides short-term and long-term disability coverage for all full-time associates at the completion of the defined waiting period. The premium is paid by the Company. Details of this insurance are included in the plan booklets provided during orientation.

#### Short Term Disability

MAI provides a short-term disability (STD) plan through an insurance carrier for continuation of 60% of your earnings for weeks 3 – 13 (11 weeks) of the disability. Our STD carrier will require you, MAI, and your physician to complete forms to become eligible for income continuation under this benefit.

#### Long Term Disability

MAI also provides a long term disability (LTD) plan through an insurance carrier, which may provide an additional continuation of 67% of your earnings if your illness or disability extends beyond 90 days. If you qualify for Social Security Disability (SSD) and our LTD benefit, your LTD benefit will be coordinated with your SSD benefit. Disability benefits terminate upon reaching normal Social Security retirement age.

**The benefit percent for both Short Term and Long Term disability can change year to year. Contact Human Resources for clarity.**

## GENERAL

### **7.01 Electronic Communication and Computer Use**

MAI maintains numerous types of electronic communication systems, including computers, copier/fax machines, telephones, cell phones, and an e-mail system for the purpose of conducting business within the Company. These systems are company property. MAI has established an *Electronic Communications and Computer Use Policy* that each associate is required to sign to acknowledge that they have been made aware of MAI rules. If you violate the policy, procedures, or use the computers or e-mail system for any purpose other than as outlined in the policy statement, you will be subjected to corrective action, up to and including termination of employment.

### **7.02 Public Relations and Public Communication**

In all community and public activities, your actions or statements may be interpreted as a reflection on MAI. It is MAI's hope that such reflections will always be positive. There may be an occasion when MAI might be contacted by a member of the media for information about the Company or for an interview. In such a case, only the Vice President, Human Resources Manager, or an individual designated by the Vice President is authorized to discuss with any member of the media or an elected official any matter related to the policies, practices, or activities of MAI, or to assume the role of official spokesperson for the Company.

### **7.03 Visitors**

All visitors to MAI are required to enter the premises through the front door, where they will be asked to register. Once registered, all visitors are expected to remain in the reception area until an associate greets the visitor and escort him/her to an appropriate meeting area or wherever else in the building the visitor will be. Visitors are also escorted to the front desk when they are ready to leave.

Visitors are not allowed to enter the office area, which contains proprietary and confidential information, unless the visitor is escorted at all times.

### **7.04 Travel**

If your job requires MAI business-related travel, you are expected to be familiar with MAI's travel guidelines. You may obtain a copy of *Guidelines for Domestic and International Travel* from Human Resources.

### **7.05 Travel Pay**

Hourly associates will be compensated for the hours traveled according to the following example: An associate who works during the normal first shift hours, Monday through Friday 6:30 am to 3:00 pm, would receive compensation for all hours of travel time during Monday, Tuesday, Wednesday, Thursday, and Friday. The associate will receive compensation for travel time during Saturday and Sunday during the hours traveled which are his normal workday hours, (6:30 am to 3:00 pm).

Compensation for Saturday and Sunday will be paid at one and one-half (1 1/2) the associate's hourly rate of pay, provided the associate has forty (40) worked hours for the week.

### **7.06 Company Vehicles**

MAI maintains vehicles for business use. Only associates who have been authorized by MAI and by our automobile insurance company may drive a company vehicle. Smoking is prohibited in company vehicles.

### **7.07 Bulletin Boards**

Our bulletin boards are intended for official notices and announcements, including those required by a governmental body. Our bulletin boards may not be used for individual associate purposes and interests, such as outside organization activities and announcements.

### **7.08 Lockers and Personal Property**

Individual lockers are available to all associates, (Office personnel not included). Each associate is responsible for his or her personal belongings and the Company assumes no responsibility for lost, stolen, or damaged property of an associate. All personal items (coats, shoes, etc.) are to be stored inside each associate's locker. Each locker must be maintained in a clean and sanitary condition. Nothing is to be hung on or attached to the outside of the locker. Associates must use only assigned locks and lockers provided by the Company. If a lock is lost or broken, the associate must obtain a replacement lock from the Human Resources Department. Lockers are the property of MAI and are subject to inspection by MAI.

## HEALTH, SAFETY AND SECURITY

### 8.01 First Aid/Reporting Work Related Injuries

Despite good efforts to avoid them, accidents unfortunately may still occur. MAI has a First Aid Responder team of associates who have been properly trained and certified in first aid, CPR and use of an AED. Only these associates are authorized to treat an injured associate. These associates are identified on the Safety bulletin board in the break room.

First aid kits are also located on the plant floor, the 2<sup>nd</sup> floor office area and in the Safety Room in the break room and are maintained with supplies to care for minor injuries. Associates should contact a First Aid Responder for assistance with any serious injuries.

Any injury/illness that is work-related, no matter how insignificant it may seem, must be immediately reported to the appropriate supervisor or manager. An associate that suffers a work-related illness or injury and is directed by an appropriate authority to go home or to seek outside medical treatment will be paid for the balance of the regular shift. In all cases, the associate must fill out an *Associate Injury/Illness Report* and submit it to the appropriate supervisor or manager as soon as it is practical after an accident.

### 8.02 Visitor, Subcontractor or Truck Driver Injury or Illness

If a visitor is involved in any type of accident or injury while on MAI property or premises, please notify your supervisor immediately, if you are aware of the incident. If such accident or injury requires immediate medical attention, treat the situation in the same way you would if an associate were injured.

### 8.03 Medical Restriction Placement

All MAI associates with work restrictions must submit a *MAI Medical Release/Limitation Form* to the Human Resources Department for approval prior to the associate returning to work.

A restriction must be a valid instruction from a medical provider that relates directly to an underlying medical condition, and identifies, in specific and measurable terms, the limitation(s) on the associate's capabilities to perform work at MAI due to the medical condition. MAI does not accept restrictions referring to process, department, and shift specific restrictions unless the restriction satisfies all other requirements set forth in this policy.

The form must contain:

- Associate Name.
- Date form was completed by the physician.
- Physician name, address, and telephone number.
- Condition/diagnosis that requires work restriction.
- Description of work restrictions.
- Physician signature.
- Start date and end dates of restriction(s).

MAI will make every effort to provide reasonable accommodations. Reasonable accommodations may include change of work, schedules, assignments, etc. and will be determined on a case-by-case basis, considering multiple factors, including but not limited to position, training, qualifications, the requirements of the work assigned, the anticipated length of impairment, the nature of the limitations, and the potential hardship the proposed accommodation may present to MAI business operations.

#### **8.04 Personal Protective Equipment**

To ensure safety, MAI requires some associates to wear personal protective equipment, such as safety shoes, eye-protection, hearing protection, etc., to perform their jobs, depending on the nature of the job. Other associates may be required to wear personal protective equipment when they walk through or stand in certain designated areas. Failure to wear required personal protective equipment as outlined by the Company is considered a work rule violation. Be sure to talk to your supervisor if you have any questions about any requirements related to this matter.

#### **8.05 Safety Shoes**

Approved safety shoes must be worn at all times by associates who work fulltime in Production, Maintenance, Shipping and Quality positions assigned to the production floor. Associates who spend more than 25% of their day in these areas will also be required to wear safety shoes while on the production floor. All other associates, visitors and contractors entering the production area must wear shoes that fully cover their feet. No open toed or slip on (open back) shoes may be worn in the production area.

Associates will be reimbursed up to \$100 for the initial purchase of approved safety shoes. An associate will be eligible for an additional pair of approved safety shoes after the completion of one year from the date of the last reimbursement. This dollar amount could change year to year.

#### **8.06 Safety Glasses**

Safety glasses (including attached side shields) must be worn on the production floor. The production floor is defined as the entire warehouse area once you enter from the associate hallway and breakroom entrances.

Non-prescription safety glasses are available through Human Resources. MAI will provide a prescription safety glass allowance for each full-time associate after 90 days of employment. Associates will be reimbursed up to \$125 for the purchase of one pair of prescription safety glasses every two years.

#### **8.07 Emergency Evacuation Procedures**

Proper tornado and fire safety directions and evacuation procedures are posted throughout MAI's facility. An evacuation map is posted in the breakroom. Please familiarize yourself with these procedures and exits for your particular work area in the building. Each associate will receive Emergency Action Plan training and will participate in drills on an annual basis.

#### **8.08 Fire Extinguishers**

Fire extinguishers are placed in locations throughout our buildings and premises and are inspected regularly. Only persons who are trained to operate a fire extinguisher should do so, to avoid possible injury from improper use.

#### **8.09 Emergency Closings**

The Vice President, or an individual designated to act in the absence of the Vice President, has the authority to close MAI due to power failure, severe weather, or another emergency.

If it is not possible for MAI to be open for business due to severe weather or some other emergency, MAI will notify associates as follow:

1. The MAI Calling Tree will be activated. Managers will be notified of the closing and will attempt to call each associate in their department. Associates are responsible for making sure that HR has an active phone number.

2. Closures will also be announced on television stations CBS4 and FOX 59.

As a general rule, during severe snow or ice conditions, if the city, county or state closes roads in Hamilton County, MAI will not open for business. However, you should not assume that MAI will be closed unless you have been notified by the methods listed above.

If MAI is closed, but an associate works to meet a customer or company critical need, the associate will be paid for time worked and will be given a day off with pay at a later date.

If the roads are closed in Hamilton County or in your county of residence, you are not required to report to work. You may use a paid vacation day or take the day unpaid. No points will be assessed.

If MAI is open for business and the roads in Hamilton County or your county of residence are open, but you do not feel comfortable traveling to work due to weather/road conditions, you may use vacation time to be paid for missed work. However, you will be assessed a point under the attendance policy if the vacation time is not scheduled in accordance with the attendance policy.

### **8.10 Housekeeping**

We are fortunate to work in a well maintained manufacturing facility. The building will continue to look new if everyone works to keep production and public areas clean. Work areas must be well kept for reasons of safety and efficiency. All associates should strive to maintain other areas such as lockers, break room, meeting rooms, and other public areas. Consumption of food (other than hard candy and gum) is prohibited on the production floor. Drinks are allowed on the production floor provided that they are in a covered, non-glass container.

### **8.11 Building Security**

A representative of the Human Resources Department will advise you of MAI's procedures for securing the building. If you are authorized to have access to the building outside of normal work hours, be sure that you follow all procedures for securing the building and that the door is locked after you enter or when you leave. If you are authorized to have a device that locks or unlocks the building, a door, or equipment, you will be expected to return that device to MAI at the time your employment terminates.

### **8.12 Firearms, Weapons and Explosive Devices**

MAI strives to maintain a safe productive work environment that is free from violence and/or the threat of violence. This commitment is extended to our associates, vendors, customers and visitors. Threats or acts of violence against any person, Company property or the property of any associate, vendor, customer, or visitor will be taken seriously and not tolerated.

Associates who lawfully possess a firearm or ammunition may bring such firearm or ammunition into the parking lot at the Company's Indiana facility, provided they leave the firearm in their vehicle, which remains locked at all times, and the firearm must not be visible from the outside of the vehicle. Possession of firearms elsewhere on company property or possession of any other type of weapon or explosive device is prohibited at all times. A knife blade longer than 3 inches is considered a weapon.

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



### **8.13 Searches**

For purposes of security and to enforce the MAI Drug/alcohol policy, MAI reserves the right to search the personal vehicle, and/or personal property of associates on the company's premises. Desks, lockers, and file cabinets are also subject to search. Associates who do not cooperate in searches will be subject to discipline up to and including discharge.

### **8.14 Use of Tobacco Products**

MAI recognizes that the use of tobacco presents a health hazard that can have serious consequences both for the user and the nonuser. The use of any tobacco product by any MAI associate is prohibited in our buildings, on our property, and in the course of your work, except in areas specifically designated for such outside of the building. In addition, no smoking or use of tobacco products is permitted in any company vehicle.

If you observe a visitor or a customer using a tobacco product in an unauthorized area, please bring that matter to the attention of your supervisor or the manager in charge immediately. Associates are expected to observe the prohibitions related to the use of tobacco or tobacco products of any other business with which you come in contact in course of your work with MAI.

### **8.15 Use of Cell Phones While Driving**

MAI is fully aware of the risks inherent in utilizing a cell phone while operating a motor vehicle. Distracted drivers pose a significantly greater risk on the road than do drivers who are concentrating solely on their driving. Accordingly, if you are driving a personal or company vehicle in the course of your work with MAI, you must either use a hands free device or stop the vehicle to make or receive a call.

### **8.16 Suggestions, Questions or Concerns**

If you have any suggestions, questions, or concerns about building security, housekeeping, or associate health or safety, please bring them to the attention of a manager in production, safety or human resources immediately. There is no question or concern that is too minor or insignificant when it comes to safety, health, or security.

## **CHANGES TO THIS HANDBOOK**

This Handbook is not a contract. It has been prepared to provide you with an outline of our policies, practices, work rules, and current associate benefits. Flexibility is important in the areas of personnel policies and benefits to allow for growth and change. For that reason, the policies, procedures, work rules, benefits, etc. described in the Handbook may be discontinued or changed by Moriden America, Inc. at any time. Changes will be communicated to associates