

## **Letter from the President**

### **Welcome!**

Dear Employee:

We are pleased to have you as an employee of MS Staffing, LLC and hope that you find your association with us to be an enriching and engaging work experience. This handbook has been prepared to help you understand the employment practices of MS Staffing.

Please take time to read this handbook. When you are finished, please keep this handbook as a reference guide. If you have questions or would like more information, your Manager is your most immediate source. From time to time, portions of the handbook may be changed to incorporate policy changes due to management decisions, financial concerns, and/or changes in local, state, or federal rules and regulations.

At MS Staffing we encourage our employees to provide us with any suggestions or questions that they may have. Please do not hesitate to speak with a member of management at any time if you have any questions or concerns.

Kind Regards,

Jeremiah Thompson  
President  
MS Staffing, LLC

## **MS Staffing Contractual Agreements**

### *1. MS Staffing & Accord Human Resources*

MS Staffing, LLC has a contract with Accord Human Resources to administer payroll, provide employee benefits and conduct routine personnel affairs. Accord Human Resources is a professional employer organization (PEO) based in Oklahoma City, Oklahoma.

The relationship with Accord will not affect your day to day work activities. Your work site or current supervisor will not change because of our relationship with Accord.

Accord does much more than process payroll. They are involved in benefits management and supply a basic function of seeing that policies and rules are applied appropriately to every employee associated with MS Staffing and Accord.

Your employment record begins with your job application and is kept in a confidential file in the personnel department of both MS Staffing and Accord. Performance appraisals, promotions, transfers and other matters that affect you, as an employee, are recorded here. This important information is available for reference and review in accordance with the personnel file policy described in this booklet.

You should list Accord as your employer of record for insurance purposes, workers' compensation related injuries, and other instance regarding an employer of record. Accord provides services to MS Staffing under contract. That makes them the general employer for many purposes, however some employer rights and responsibilities are retained by MS Staffing, some are assumed by Accord and some are shared by both MS Staffing and Accord as described in the contract for services. Accord was selected to help you enjoy many benefits offered through this concept.

Please remember, it is your on site supervisor who actually directs your work.

Contracting services through Accord allows us to offer top notch human resource services as well as a comprehensive benefits package. Upon

receiving your first paycheck, you will have access to Accord's employee login area that will provide you with valuable employee resources. This employee login area can be accessed at: <https://access.accordhr.com>

Should you have any questions regarding Accord Human Resources or your employment status with regards to Accord, contact your direct supervisor for more information.

## EMPLOYMENT POLICIES

### A. Discrimination, Harassment, and Workplace Safety

#### 1. *Equal Employment Opportunity Statement*

In order to provide equal employment and advancement opportunities to all individuals, employment decisions will be based on merit, qualifications and abilities. Except where required or permitted by law, employment practices will not be influenced or affected by an applicant's or employee's race, color, religion, sex, national origin, age, military status, marital status, disability or any other characteristic protected by law.

MS permits the hiring of relatives of current employees, if the applicant is qualified and selected by the hiring manager. Only in extraordinary circumstances, with management approval, should a relative directly or indirectly supervise an employee. A relative is defined as any person related to the employee by blood, marriage, or adoption.

#### 2. *ADA Compliance*

MS is committed to complying fully with the Americans with Disabilities Act (ADA) and ensuring equal opportunity in employment for qualified persons with disabilities.

MS will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation) as well as equal treatment in job assignments, classifications, organizational structures, position descriptions, and lines of progression.

All employees or applicants who believe that they have a disability which requires accommodation should speak with their manager or interviewer.

#### 3. *Discrimination Open Door Policy*

Any employee with questions or concerns about any type of discrimination in the workplace is encouraged to bring these issues to the attention of

their supervisor or the Human Resources Department at Accord. Employees can raise concerns and make reports with fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination or retaliation will be subject to disciplinary action, up to and including termination of employment.

#### *4. Prohibited Harassment*

MS is committed to providing a work environment that is free from unlawful discrimination and harassment. Actions, words, jokes or comments based on an individual's sex, race, ethnicity, age, religion, disability or any other legally protected characteristic will not be tolerated.

Harassment included all forms of unlawful demeaning conduct by one person to another which undermines the integrity of the employment relationship and is done with a discriminatory animus. Sexual harassment may include such things as unwelcome sexual advances, requests for sexual favors in exchange for actual or promised salary increases, promotions, or continued employment, and/or circulation of sexually implicit material or unwelcome sexual jokes or comments.

#### *5. Required Discrimination Reporting*

Employees are required to immediately report any incident of discrimination, sexual harassment, or other unlawful harassment to his or her supervisor. If the supervisor is unavailable or the employee believes it would be inappropriate to contact that person, the employee should immediately contact the Accord Human Resources Department. The Director's contact number is (800) 725-4004.

Employees can raise concerns and make reports without fear of reprisal. MS will not tolerate any retaliation against anyone who in good faith reports an incident of alleged harassment or who cooperates in an investigation of such a complaint.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must promptly advise the Human Resources Department on site and/or with Accord Human Resources. All harassment complaints will be handled in a timely and confidential manner to the extent possible.

Any employee engaging in unlawful discrimination, sexual or other unlawful harassment, or retaliation will be subject to disciplinary action, up to and including termination of employment.

#### 6. *Workplace Threats and Violence*

The safety and security of its employees is the top priority of MS Staffing. Threats, threatening behavior or acts of violence against employees, visitors, guests or other individuals will not be tolerated. Violations of this zero-tolerance policy will lead to disciplinary action, up to and including termination of employment.

All personnel are required to report to their supervisor or Accord Human Resources Director any threats that they have witnessed, received or have been told that another person has witnessed or received. Employees are responsible for making this report, regardless of the relationship between the individual who initiated the threat or threatening behavior and the person or persons who were threatened or were the focus of the threatening behavior.

Employees may be required to obtain a protective or restraining order against any person who threatens MS, its employees, or customers. The order should list MS locations as being protected areas.

#### 7. *Workplace Safety*

Employees shall devote their full time skill and attention to the performance of their job responsibilities utilizing the highest standard of care and good judgment. Employees will follow all safety rules and regulations at all times including the use of protective clothing, devices, or equipment, attendance at all training sessions related to employee's job description, and follow the directions of warning signs or signals, or the commands or directions of Manager personnel.

### **B. Employment Classifications and Terms of Employment**

#### 1. *Employment Classifications*

#### a. Initial Probationary Period

New employees and re-hires shall be subject to a six-month probationary period of employment during which time the employee may be terminated at-will by MS.

MS reserves the right to extend an employee's initial probationary period for up to an additional six months where management deems such an extension necessary or appropriate.

#### b. Non-Probationary Employment

After an employee's first six months of continuous employment, the employee becomes a non-probationary employee subject to termination for "good cause" as defined by Montana law and this handbook.

An employee may be immediately terminated by MS without advanced warning or prior counseling where management finds that the employee seriously violates MS policy. Such good cause events include, but are not limited to, the following:

- sexual harassment, unlawful discrimination or retaliation
- workplace threats violence
- financial misconduct, including theft or MS property
- falsifying time cards or hours worked
- violation of federal or state credit, copyright, trademark, or real estate laws
- acts of fraud, deceit, or misconduct which management believes adversely affects the reputation of MS
- arrest for or conviction of a serious criminal offense
- excessive unexcused absenteeism (any unexplained absence from work for two days is considered voluntary termination)

- conflict of interest
- violation of the company's employment policies and/or e-policies

## 2. *Full and Part-Time Employment*

MS Staffing has two classifications of employees:

**Regular Full Time** employees are those who are regularly scheduled to work at least 32 hours per week in the workplace. Generally, these are eligible for the benefit package, subject to the terms, conditions and limitations of each benefit program.

**Part Time** employees are those who are scheduled to work less than 32 hours per week in the workplace. While they do receive all legally mandated benefits such as social security and workers' compensation insurance, they are ineligible for most of the other available benefit programs.

## C. The Workday and Payment of Wages

### 1. *Workday*

MS Staffing negotiates various work hours depending on facility needs. Your schedule will be set forth according to these needs. However, the nature of our business sometimes demands work day or work week hours different than those set forth above. Variation to the schedule will be made or approved by department managers. Unless otherwise specified, our work week starts on Sunday and ends on Saturday.

### 2. *Timekeeping*

Accurate record keeping of time worked is the responsibility of every MS employee. Federal and state laws require the MS 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.

### 3. *Overtime*

Overtime hours shall not be allowed unless pre-approved by your direct supervisor. Employees who work overtime will be paid for those hours, even where permission is not obtained. However, employees who fail to receive permission to work overtime may be subject to disciplinary action, including termination.

### 4. *Payment of Wages*

MS pays its employees on a weekly basis, generally on the Friday of each week. If a pay day occurs on a weekend or holiday, wages will be paid on the first day immediately prior to the pay date.

### 5. *Payroll Deductions*

The following mandatory deductions will be made from every employee's gross wages: federal income tax, Social Security, FICA, and applicable city and state taxes.

Every employee must fill out and sign a federal withholding allowance certificate, IRS Form W-4, on or before his or her first day on the job. This form must be completed in accordance with federal regulations. The employee may fill out a new W-4 at anytime when his or her circumstances change. Employees who paid no federal income tax for the preceding year and who expect to pay no income tax for the current year may fill out an Exemption from Withholding Certificate, IRS Form W-4E.

Employees are expected to comply with the instructions on Form W-4. Questions regarding the propriety of Claimed deductions may be referred to the IRS in certain circumstances.

Employees cannot refuse to comply with federal and state withholding laws. Failure to comply with such laws will result in termination of employment.

### 6. *Draws*

Employee payroll draws and advances will not be granted by MS.

## D. Reviews, Discipline, and Termination of Employment

### 1. *Performance Reviews.*

MS has adopted a management by objective approach to performance appraisal. Each employee is given the opportunity to set individual written goals. He or she will be evaluated based on how well these goals have been met.

Generally, three months after an employee joins the MS, a supervisor will consider meeting with an employee to establish employment goals consistent with the business objectives of the MS and the employee's department. The first performance review will occur near the end of the next three months, if needed, preferably on a date agreed to in writing.

All future employee performance reviews will normally be scheduled at six-month intervals and noted in the preceding appraisal report. All performance evaluations will become part of the employee's employment file.

### 2. *Performance Improvement*

Performance improvement may be suggested whenever MS management believes that an employee's performance is less than satisfactory and can be resolved through adequate counseling. Corrective counseling is completely at the discretion of MS management. Management will determine the course of action best suited to the circumstances.

Performance improvement may include the following:

- **Written counseling** - Written counseling becomes part of the employee's personnel file, and may include additional follow-up by management to assure objectives are met.
- **Probation** - If the problem has not been resolved through written counseling or the circumstances warrant it, an employee will be placed on performance probation. Typically, this form of probation period will be between two weeks and 60 days, depending on the circumstances. A written probationary notice to the employee is normally prepared by

management and will be placed in the employee's employment file. At the completion of the performance probationary period, the Manager will meet to determine whether the employee has achieved the required level of performance and to consider removing the employee from probation, extending the period of probation, or taking further action. The employee will normally be advised of the decision in writing. Should probation be completed successfully, the employee will be commended, though cautioned that any future recurrence may result in further disciplinary action.

The forgoing options are not exclusive nor do these options create a requirement that MS follow graduated performance discipline of an employee. MS maintains the right to evaluate and counsel employees as it sees fit.

### 3. *Termination*

Termination Types include the following:

#### a. Resignation

An employee who intends to terminate employment, regardless of employee classification, is expected to give as much advance notice as possible. Two weeks or ten working days is generally considered to be sufficient notice time.

If an employee resigns to join a competitor, or the employee refuses to reveal the circumstances of his or her resignation, or a conflict of interest may result by the employee's continued employment, MS may terminate the employee upon advance notice of a resignation.

When immediate voluntary termination occurs for the above reasons, the employee will receive pay "in lieu of notice," the maximum being two weeks of pay based upon a 40-hour work week at the employee's straight-time rate or salary.

#### b. Dismissal

Termination resulting from misconduct or poor work performance shall be entered into the employee's personnel file. The employee will usually be provided with a written summary of the reason for termination. No salary continuance or severance pay will be allowed.

c. Layoff

When a reduction in force is necessary or if one or more positions are eliminated, employees will be identified for layoff. MS may consider severance of laid off employees.

### **Payment of Wages and Return of Property upon Termination**

All outstanding advances charged to the terminated employee will be deducted from the final paycheck by the payroll department. If an employee is paid commissions as part of his or her compensation, only those commissions due on the date of termination shall be owed.

A final paycheck will include any and all accrued benefits, vacation, and wages due, minus any deductions and withholdings, and will be paid at the next formal pay date.

On the final day of employment, a manager must receive all keys and MS property from the employee.

#### **4. *Reinstatement***

Employees who are re-employed by the MS after termination will lose their original anniversary date for all purposes and will be assigned a new date corresponding to their first day on the job after re-employment. All re-hires shall be subject to a new initial probationary period unless waived in writing by an authorized supervisor.

This policy shall not apply to layoffs, FMLA reinstatement, military reinstatement, or to an employee who was erroneously terminated for cause and later reinstated.

## **E. EMPLOYEE BENEFITS**

### *1. Workers' Compensation Insurance*

MS insures all employees against accidental injuries occurring on the job, in accordance with the Montana Workers' Compensation Law. Coverage begins on date of employment and covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment.

Employees must report all accidents immediately to their supervisor or department manager, and the managing employee must notify the Office of Human Resources within 24 hours.

If the supervisor or department manager is not available the employee should notify Accord Human Resources. No matter how minor an on-the-job injury may appear, it is important that it is reported immediately. This procedure will enable an eligible employee to qualify for coverage, in a timely manner.

Employees who are required to take leaves of absence due to a workplace injury, medical leave, or disability may be required to provide MS with a fitness for duty statement or evaluation from a treating physician. MS may ask the returning employee to submit to an independent medical exam to assure the employee is able to return to work. If MS requires such an independent examination, it will be at MS's expense.

### *2. Family Leave, Parental Leave, and Pregnant Employees*

The MS provides qualified employees with up to twelve weeks of unpaid family medical leave pursuant to the terms of federal law.

Employees taking a family medical leave of absence shall make a reasonable effort to schedule medical treatment or supervision so as to minimize any disruption to MS operations. If a serious health condition is anticipated, employee shall provide at least 30 days written notice, prior to taking leave, explaining the reason for the leave. If a serious health condition is not anticipated, employee should make an oral request for leave at least 3 days prior to the leave.

MS may require certification from a health care provider as to the need for the leave.

During the leave, the regular position of the employee shall be considered vacant for the period of the leave, and the employee will not be removed or discharged as a consequence of the leave. At the conclusion of the leave period, the employee shall be restored to his or her former position or an equivalent job without loss of seniority or service credits accruing under any benefit plan as of the date the leave commenced.

If the MS is unable to restore the employee to his or her former job or an equivalent due to the MS's circumstances, the employee shall be reinstated to any position that is available and suitable. The MS is not required to discharge any other employee in order to reinstate the employee.

If you have any questions or concerns about family and medical leave, please contact your supervisor or Accord's human resources department.

### 3. *Sick or Personal Leave*

It is in the best interests of an employee who is ill or injured that they not remain at work. Employee may be sent home if the employee is incapacitated or is clearly ill.

Employees are encouraged to make any personal appointments before arriving for work, after leaving work for the day or on MS designated breaks from work. If time off is required for such appointments, arrangements should be made in advance with the employee's manager.

An employee is expected to notify his or her Manager/manager one (1) hour before the beginning of each workday during illness or injury. Exceptions to this include a serious accidental injury, hospitalization, and when it is known in advance that the employee will be absent for a certain period of time.

An employee who fails to provide appropriate notice of sick leave may be subject to disciplinary action. A fitness for duty statement from a physician

is required where an employee is absent for more than five (5) consecutive days of work.

#### 4. *Other Benefits*

MS may also provide employee benefits not discussed in this Handbook. These may include 401(k), bonuses, and similar benefits. Your supervisor or Accord's human resource department will be able to answer additional benefits questions.

### **F. General Work Policies**

#### 1. *Voting Time Off*

MS encourages all employees to vote. Employees are encouraged to use MS designated breaks for this purpose or to take advantage of polling hours prior to the beginning or following the end of your workday.

#### 2. *Jury Duty*

Time off for mandatory jury duty or court appearances required as a result of a valid subpoena or court order is excused and paid at full salary, provided that proof of duty is verified by the employee's manager.

There will be no adjustment in the employee's salary for receipt of jury duty pay, witness fees, or expenses. The employee is expected to report for work when it does not conflict with court obligations.

It is the employee's responsibility to keep his or her manager periodically informed about the amount of time required for jury duty or court appearances.

#### 3. *Military Service*

MS grants time off work for employees in the military, i.e. Army, Navy, Air Force, Marines, and all reserves of said military branches.

All employees in a military reserve training program should provide a copy of their orders to their immediate manager as soon as possible.

Employees returning from active duty may be reemployed pursuant to state and federal preference laws.

#### 4. *Bereavement Leave*

The MS will provide unpaid time off for employees to attend the funerals of family members and friends. Your manager will approve whatever period of time is necessary and appropriate under the circumstances.

#### 5. *Parking*

MS employees may park their automobiles in spaces reserved for employee parking.

Under no circumstances should any employee park in areas that in any manner that might block access to MS facilities by any delivery vehicle or truck. The MS assumes no responsibility or liability for employee automobiles. Lock your cars and take your keys.

#### 6. *Employer Security*

There is no expectation of privacy at MS with respect to lockers, desks, computers, phones, e-mail or any other object brought onto MS property. The MS expressly reserves the right to search from time to time without prior warning or notice all persons and/or property of any kind or nature found upon, brought onto, or taken from MS property including, without limitation to, lockers, desks, tool boxes, lunch boxes, duffel bags, briefcases, and similar items. Items found during a search shall be confiscated if management reasonably and in good faith believes those items violate any law or regulation, endanger MS or employee safety and welfare, or otherwise violates MS policy.

#### 7. *Smoking/Alcohol & Drugs*

With the current evidence that smoking is dangerous and injurious to a person's health, employees are encouraged not to smoke. However, MS recognizes that the decision to smoke or not to smoke is a personal one. During working hours, our policy is to limit smoking to certain designated areas. Please don't throw your cigarettes on the ground. Use the ashtray provided for you. If these guidelines cannot be followed further actions will be

taken. Smoking should only be conducted during your designated rest periods.

Use of alcohol and illegal drugs on the work premises is strictly prohibited. Any employee who uses alcohol or drugs in the workplace or shows up to the workplace under the influence of drugs or alcohol will be asked to leave the workplace, will be provided a ride home, and will be subjected to appropriate disciplinary action.

#### *11. Non-Business or Social Visits*

From time to time it may become necessary for employees to receive visits from a relative or friend. If this occurs please keep these visits brief and keep them from disrupting the working/professional atmosphere. Notify management of any such visits.

#### *13. Cell Phone Policy*

##### **Personal use of Cell Phones:**

A large percentage of the MS's business is transacted by telephone. The telephone equipment is provided for the purpose of providing service to our customers. Therefore, there will be no personal calls. Cell phones must be off during work hours.

Personal calls should only be made in case of absolute necessity or emergency. If non-emergency personal calls must be made, please arrange to make them during your break or lunch period. No long distance personal calls may be made on MS phones.

#### *14. Visitors/Response to Inquiry*

Non-customer visitors present safety and security risks to the MS. To minimize these risks, visitors are not allowed on MS property without prior written approval of management or in the case of emergency.

Visitors may drop off employees at the beginning of a work shift or pick up employees at the end as long as the drop-off/pick-up occurs within

designated areas. Law enforcement or government officials, including health or fire inspectors, shall be directed immediately to a manager who shall determine proper governmental authority review court orders or subpoenas, and assist the law enforcement or government officials in a manner which provides full cooperation with minimal disruption to MS operations.

#### 15. *Attendance*

Employees are expected to report to work in a timely manner. Tardiness will be treated as a disciplinary issue. Any employee who fails to report to work for two (2) consecutive days without notice to his or her manager or the appropriate supervisor will be assumed to have resigned and abandoned the job. In such case, the employee will be considered to have voluntarily terminated their employment.

#### 16. *Dress Code*

Employee dress should be neat in appearance and in a manner consistent with a professional atmosphere. The impression made on customers, visitors, and other employees and-the need to promote MS.

### **G. Conflict of Interest/ Privacy/ Security/Trade Secrets**

#### 1. *Conflict of Interest*

A conflict of interest may arise in any situation in which an employee's loyalties are divided between business interests that, to some degree, are incompatible with the interests of the MS. All such conflicts should be avoided. The MS demands absolute integrity from all its employees and will not tolerate any conduct that falls short of that standard. The MS expects that no employee will knowingly place himself or herself in a position that would have the appearance of being, or could be construed to be, in conflict with the interests of the MS.

No employee of MS shall maintain an outside business or financial interest, or engage in any outside business or financial activity, whether as an officer, director, shareholder [other than the holder of less than five percent

of a publicly-traded MS], partner or otherwise, which conflicts with the interests of the MS, or which interferes with his or her ability to fully perform job responsibilities.

No employee of MS shall engage in the same or a similar line of business or research as that carried on by the MS, and shall refrain from assisting in any way any competing MS or business. An employee shall not have a financial interest in a MS, which is a competitor of, or supplier to the MS.

## *2. Outside Activities*

It is the policy of MS that no employee is to have a "freelance" or moonlighting" activity that will materially encroach on the time or attention which should be devoted to the employee's duties; adversely affect the quality of work performed; compete with MS's activities; imply sponsorship or support by MS of the outside employment or organization; or adversely affect the good name of the MS. All free-lance or moonlighting activities require the prior written approval of the employee's supervisor or management. Employees who free-lance or moonlight may not use MS time, facilities, resources, or supplies for such work.

## *3. Use of MS Property and Information*

Employees are responsible for the proper use of MS's physical resources and property, as well as its proprietary and other confidential information. Unless otherwise prohibited by MS, reasonable incidental use of a MS telephone, computer, or other equipment is permitted.

## *4. MS Properties and Facilities*

MS property, facilities, or physical resources may not be used for solicitation or distribution activities which are not related to an employee's services to the MS, except for charitable activities that have been approved in writing in advance by the MS. Employees may not solicit any other employee during working time, nor may employees distribute literature in work areas at any time.

Under no circumstances may an employee disturb the work of others to solicit or distribute literature to them during their working time. Persons not employed by the MS may not solicit MS employees for any purposes on MS premises.

Any employee found to be engaging in, or attempting, theft of any property of the MS, including documents, equipment, intellectual property, personal property of other employees, cash or any other items of value will be liable to immediate summary dismissal and possible criminal proceedings against them. All employees have a responsibility to report any theft or attempted theft to the MS's management.

#### *5. MS Proprietary and Other Confidential Information*

MS operates in many different and extremely competitive markets. Every employee should be aware that, in any competitive environment, proprietary information and trade secrets must be safeguarded in the same way that all other important MS assets are protected. All employees of MS must refrain from using or appearing to use confidential information acquired in the course of their work for unethical or illegal advantage either personally or through third parties.

Information concerning pricing, products and services that are being developed, and other such trade secrets, including information pertaining to any prospective MS acquisition or divestiture, or client names and contacts, must be held in the strictest confidence, and reasonable prudence and care should be exercised in dealing with such information in order to avoid inadvertent inappropriate disclosure.

This information must not be used in any way other than as required in performing employment duties. All files, records, and reports acquired or created in the course of employment are the property of the MS. Originals or copies of such documents may be removed from the MS's offices for the sole purpose of performing the employee's duties to the MS and must be returned at any time upon request. Employees must also abide by the provisions of the MS's Confidential and Proprietary Information Policy and any confidentiality agreements.

## 6. *Trademarks, Service Marks and Copyrights*

Employees must avoid the unauthorized use of copyrighted materials of others and should confer with the Legal Department if they have any questions regarding the permissibility of photocopying, excerpting, electronically copying, or otherwise using copyrighted materials.

In addition, simply because material is available for copying, such as matter downloaded from the Internet, does not mean that it is automatically permissible to copy or re-circulate (by, for example, email or posting to an intranet facility). All copies of work that is authorized to be made available for ultimate distribution to the public, including all machine readable works such as computer software, must bear the prescribed form of copyright notice.

MS is legally entitled to all rights in ideas, inventions, and works of authorship relating to its business that are made by employees during the scope of their employment with the MS or using the resources of the MS.

## 7. *Disposing of Consumer Information*

MS must adhere to the Federal Trade Commission's Disposal Rule which became effective June 1, 2005. The Disposal Rule is a federal law that attempts to protect the privacy of consumer information and reduce the risk of fraud and identity theft. MS must take appropriate measures to dispose of sensitive information derived from consumer reports. Any business or individual who uses a consumer report for a business purpose is subject to the requirements of the Disposal Rule.

The Fair Credit Reporting Act defines the term consumer report to include information obtained from a consumer reporting MS that is used – or expected to be used – in establishing a consumer's eligibility for credit, employment, or insurance, among other purposes. Credit reports and credit scores are consumer reports. This also includes reports on businesses or individuals that are received with information relating to employment background, check writing history, insurance claims, residential or tenant history, or medical history.

Burning, pulverizing, or shredding of papers containing consumer report information so that the information cannot be read or reconstructed should be employed. Employees should obtain approval of the appropriate manager before destruction of documents.

#### 8. *Accepting Gifts and Entertainment*

To avoid the appearance of improper relations with current or prospective customers, vendors and consultants, employees should not to accept gifts or entertainment.

#### 9. *Bribery, Kickback and Fraud*

No funds or assets of the MS shall be paid, loaned, or otherwise disbursed as bribes, "kickbacks", or other payments designed to influence or compromise the conduct of the recipient; and no employee of the MS shall accept any funds or other assets (including those provided as preferential treatment to the employee for fulfilling their responsibilities), for assisting in obtaining business or for securing special concessions from the MS.

#### 10. *MS E-Policies*

Because much of MS's business is done on-line and via electronic mail, MS has developed a detailed E-policy. Because this policy is a fluid and evolving document, it is separate from MS's employment handbook.

MS's E-policy contains many provisions, many of which should be obvious to any employee. MS employees should review the E-policy and be familiar with its contents and terms. Failure to abide by the E-policy can lead to disciplinary action, including and up to, immediate termination of employment.

From time to time, MS management will supplement the E-policy. This is generally done whenever there is a significant change in international, federal, or state law, business plans, or technology.

#### H. **Grievance Procedure.**

Conflicts sometimes arise in the workplace. When conflicts do arise and are of the nature that cannot be resolved through normal communication, employees are encouraged to use the grievance procedure.

An employee may file a grievance for any action affecting his/her employment at MS, including termination of employment, except where otherwise provided in this policy.

a. Informal grievance.

(1) The aggrieved employee must meet with a supervisor or management to discuss reasons for the grievance within five (5) working days of a grievable event. The supervisor shall forward the informal grievance to management.

(2) Upon hearing the informal grievance, management will make a good faith effort to render a decision as soon as is practicable.

(3) If management denies the grievance and the employee disagrees with that decision, the employee may file a formal grievance.

b. Formal grievance.

(1) A formal grievance shall include a written statement of the action or complaint, the basis for the grievance, and the aggrieved party's suggested solution. This written grievance shall be submitted to the management within five (5) working days of the decision regarding the informal grievance. Upon receipt of the formal grievance, the management will act upon the grievance by granting or denying the relief requested within a reasonable period of time. The decision of management after a formal grievance has been filed is final

## EMPLOYEE ACKNOWLEDGMENT

The content of this Employment Handbook summarizes the employment philosophy and policy of MS, and includes by reference all other policies of the company.

The contents of this handbook DO NOT CONSTITUTE THE TERMS OF A CONTRACT OF EMPLOYMENT. Nothing contained in this handbook should be construed as a guarantee of continued employment.

The employee acknowledges and has read the foregoing Employment Handbook and MS's separate E-POLICY.

The employee understands that these terms of this Handbook and the E-Policy may be changed from time to time and in consideration of continued employment with MS, the employee agrees to be bound to any and all changes as they occur.

Employee Signature \_\_\_\_\_

Employee Name (Print)\_\_\_\_\_

Date \_\_\_\_\_

Employee Consent to Release Personnel Information

I understand that after my employment, prospective employers may contact MS to inquire as to my employment with MS. I authorize MS, and/or its related entities, to release information to prospective employers of mine who identify themselves to you as such.

This authorization is unconditional and permits disclosure of the complete content of my personnel file. I acknowledge that my personnel file is the property of MS, but that I have had the opportunity to review my personnel file and receive copies of information contained in it.

Employee Signature \_\_\_\_\_

Employee Name (Print)\_\_\_\_\_

Date \_\_\_\_\_