

# Hong's Landscape & Nursery, Inc.

# **EMPLOYEE MANUAL**

Revised February 25, 2018

# TABLE OF CONTENTS

# SECTION 1 - INTRODUCTION

- 1.1 History
- 1.2 Changes in Policy
- 1.3 Employment Applications
- 1.4 Employment Relationship

#### SECTION 2 - DEFINITIONS OF EMPLOYEE STATUS

"Employees" Defined

#### **SECTION 3 - EMPLOYMENT POLICIES**

- 3.1 Non-Discrimination
- 3.2 Non-Disclosure/Confidentiality
- 3.3 New Employee Orientation
- 3.4 Probationary Period for New Employees
- 3.5 Office Hours
- 3.6 Lunch Periods
- 3.7 Break Periods
- 3.8 Personnel Files
- 3.9 Personnel Data Changes
- 3.10 Inclement Weather/Emergency Closings
- 3.11 Seasonal/ Temporary Layoff
- 3.12 Performance Review and Planning Sessions
- 3.13 Conflict of Interest
- 3.14 Corrective Action
- 3.15 Employment Termination
- 3.16 Safety
- 3.17 Health Related Issues
- 3.18 Employee Requiring Medical Attention
- 3.19 Building Security
- 3.20 Insurance on Personal Effects
- 3.21 Supplies; Expenditures; Obligating the Company
- 3.22 Expense Reimbursement
- 3.23 Parking
- 3.24 Visitors in the Workplace
- 3.25 Immigration Law Compliance

# SECTION 4 - STANDARDS OF CONDUCT

- 4.1 Attendance/Punctuality
- 4.2 Absence Without Notice
- 4.3 Harassment, including Sexual Harassment
- 4.4 Telephone Use
- 4.5 Public Image
- 4.6 Substance Abuse
- 4.7 Tobacco Products
- 4.8 Internet Use

#### SECTION 5 - WAGE AND SALARY POLICIES

- 5.1 Wage or Salary Increases
- 5.2 Timekeeping
- 5.3 Overtime
- 5.4 Paydays

#### SECTION 6 - BENEFITS AND SERVICES

- 6.1 Insurance
- 6.2 Cobra Benefits
- 6.3 Social Security/Medicare
- 6.4
- 6.5 Vacation
- 6.6 Personal Leave
- 6.7 Record Keeping
- 6.8 Holidays
- 6.9 Jury Duty/Military Leave
- 6.10 Educational Assistance
- 6.11 Training and Professional Development

#### SECTION 7 - EMPLOYEE COMMUNICATIONS

- 7.1 Staff Meetings
- 7.2 Bulletin Boards
- 7.3 Suggestion Box
- 7.4 Procedure for Handling Complaints

#### **SECTION 1**

#### INTRODUCTION

This Manual is designed to acquaint you with Hong's Landscape & Nursery, Inc. and provide you with information about working conditions, benefits, and policies affecting your employment.

The information contained in this handbook applies to all employees of Hong's Landscape & Nursery, Inc. Following the policies described in this handbook are considered a condition of continued employment. However, nothing in this manual alters an employee's status. The handbook is a summary of our policies, which are presented here only as a matter of information. If additional information is needed please refer to your manager and/or our supplement of policies and procedures available upon request.

This handbook is NOT a contract. It does not create any contractual rights in favor or the company or you and should not be construed as a guarantee of employment for any specific period of time, for any specific type of work, or for any specific term. You have the right to terminate your employment at any time, with or without reason, and with or without notice. Hongs Landscape & Nursery, Inc. reserves this same right and thus may terminate your employment at any time, with or without reason, and with or without notice. Your employment is commonly referred to as employment-at-will.

You are responsible for reading, understanding, and complying with the provisions of this handbook. Our objective is to provide you with a work environment that is constructive to both personal and professional growth.

#### 1.1 History

Hong's Landscape came about in May of 1979. Prior to beginning this venture, I was moonlighting after hours. My employer at that time suggested I could possibly start my own business as my work was superior and that there was a market for my expertise.

At that point of beginning, we had no permanent location to establish our company so we began operating out of our home. We operated from that location for approximately three years, starting the business with one shovel, one rake, and one Chevy pick-up truck.

In 1982 we acquired the 10 acre lot at 8825 E. 31<sup>st</sup> S. the first official headquarters of Hong's. In the beginning we had only two full-time employees.

In 1986 we purchased the farm site at 8904 E. 31<sup>st</sup> S. directly across the street from our business location. This site has 24 acres of land and storage facilities, and an excellent water supply. It also is directly adjacent to McConnell Air Force

Base Housing giving us a great security wall. We are currently developing this land to further expand our business.

1995 Began operating garden store with first fully dedicated garden store employee

In1997 we acquired the 80 acres of land west of the currently location. This expanded our reach all the way to Rock Road.

2007 brought about major change. Spring of 2007 we broke ground on our new Garden Center at the 8904 E. 31<sup>st</sup> S. farm site. We also acquired the land east of it stretching us all the way to Webb Road.

2008, brought the New Garden Center Grand Opening. New store opened January after a long year of construction.

We can honestly say that we are one of the fastest growing landscape installation and garden centers in the Wichita area. We have a diversified operation, more than adequate equipment/ machinery inventory, and many highly pleased customers. As our business continues to expand, we are confident that we can handle larger and more detailed jobs and are excited about the future and what it holds for us.

# 1.2 CHANGES IN POLICY

This Manual supersedes all previous employee manuals and memos that may have been issued from time to time on subjects covered in this Manual.

However, since our business and our organization are subject to change, we reserve the right to interpret, change, suspend, cancel, or dispute with or without notice all or any part of our policies, procedures, and benefits at any time. We will notify all employees of these changes. Changes will be effective on the dates determined by the Company, and after those dates all superseded policies will be null.

No individual supervisor or manager has the authority to change policies at any time. If you are uncertain about any policy or procedure, speak with your direct supervisor.

# **1.3 EMPLOYMENT APPLICATIONS**

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

# 1.4 EMPLOYMENT RELATIONSHIP

You enter into employment voluntarily, and you are free to resign at any time for any reason or no reason. Similarly, Hong's Landscape & Nursery, Inc. is free to conclude its relationship with any employee at any time for any reason or no reason.

#### **SECTION 2**

#### DEFINITIONS OF EMPLOYEES STATUS

#### "EMPLOYEES" DEFINED

An "employee" of Hong's Landscape & Nursery, Inc is a person who regularly works for Hong's Landscape & Nursery, Inc on a wage or salary basis. "Employees" may include exempt, non-exempt, regular full-time, regular parttime, and temporary persons, and others employed with the Company who are subject to the control and direction of Hong's Landscape & Nursery, Inc in the performance of their duties.

#### EXEMPT

Employees whose positions meet specific criteria established by the Fair Labor Standards Act (FLSA) and who are exempt from overtime pay requirements.

#### NON-EXEMPT

Employees whose positions do not meet FLSA criteria and who are paid one and one-half their regular rate of pay for hours worked in excess of 40 hours per week.

#### **REGULAR FULL-TIME**

Employees who have completed the 90-day probationary period and who are regularly scheduled to work 35 or more hours per week. Generally, they are eligible for the Company's benefit package, subject to the terms, conditions, and limitations of each benefit program.

#### **REGULAR PART-TIME**

Employees who have completed the 90-day probationary period and who are regularly scheduled to work less than 35 hours per week. Regular part-time employees are eligible for some benefits sponsored by the Company, subject to the terms, conditions, and limitations of each benefit program.

#### TEMPORARY (FULL-TIME or PART-TIME)

Those whose performance is being evaluated to determine whether further employment in a specific position or with the Company is appropriate or individuals who are hired as interim replacements to assist in the completion of a specific project or for vacation relief. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status until they are notified of a change. They are not eligible for any of the Company's benefit programs.

#### PROBATIONARY PERIOD FOR NEW EMPLOYEES

A new employee whose performance is being evaluated to determine whether further employment in a specific position or with Hong's Landscape & Nursery, Inc is appropriate. When an employee completes the probationary period, the employee will be notified of his/her new status with Hong's Landscape & Nursery, Inc.

#### **SECTION 3**

#### EMPLOYMENT POLICIES

#### 3.1 NON-DISCRIMINATION

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Hong's Landscape & Nursery, Inc will be based on merit, qualifications, and abilities. Hong's Landscape & Nursery, is an Equal Opportunity Employer. This company does not and will not discriminate in employment and personnel practices on the basis of race, sex, age, handicap, religion, national origin or any other basis prohibited by applicable law.. Hiring, transferring and promotion practices are performed without regard to the above listed items.

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

Employees with questions or concerns about discrimination in the workplace are encouraged to bring these issues to the attention of their supervisor. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in unlawful discrimination will be subject to disciplinary action, including termination of employment.

#### 3.2 NON-DISCLOSURE/CONFIDENTIALITY

The protection of confidential business information and trade secrets is vital to the interests and success of Hong's Landscape & Nursery, Inc. Such confidential information includes, but is not limited to, the following examples:

- Compensation data,
- Financial information,
- Marketing strategies,
- Pending projects and proposals,
- Proprietary production processes,
- Personnel/Payroll records, and
- Conversations between any persons associated with the company.

All employees are required to sign a non-disclosure agreement as a condition of employment.

Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, including termination of employment and legal action, even if they do not actually benefit from the disclosed information.

#### 3.3 NEW EMPLOYEE ORIENTATION

Orientation is a formal welcoming process that is designed to make the new employee feel comfortable, informed about the company, and prepared for their position. New employee orientation is conducted by a Human Resources representative, and includes an overview of the company history, an explanation of the company core values, vision, and mission; and company goals and objectives. In addition, the new employee will be given a overview of benefits, tax, and legal issues, and complete any necessary paperwork.

Employees are presented with all codes, keys, and procedures needed to navigate within the workplace. The new employee's supervisor then introduces the new hire to staff throughout the company, reviews their job description and scope of position, explains the company's evaluation procedures, and helps the new employee get started on specific functions.

## 3.4 PROBATIONARY PERIOD FOR NEW EMPLOYEES

The probationary period for regular full-time and regular part-time employees lasts up to [90 days] from date of hire. During this time, employees have the opportunity to evaluate our Company as a place to work and management has its first opportunity to evaluate the employee. During this introductory period, both the employee and the Company have the right to terminate employment without advance notice.

Upon satisfactory completion of the probationary period, a [90-day] review will be given and benefits will begin as appropriate. All employees, regardless of classification or length of service, are expected to meet and maintain Company standards for job performance and behavior (See Section 4, Standards of Conduct).

#### 3.5 OFFICE HOURS

Hong's Landscape & Nursery, Inc office is open for business from 9 a.m. to 6 p.m. Monday through Friday, except for Holidays (See Section 6.7, Holidays).

The standard workweek is [40] hours of work (see Section 5.3, Overtime). In the computation of various employee benefits, the employee workweek is considered to begin on [Sunday (starting at 12:01 a.m.) through Saturday

(ending at 12:00 a.m.), unless a supervisor makes prior other arrangement with the employee.

# 3.6 LUNCH PERIODS

Employees are allowed a one-hour lunch break. Lunch breaks generally are taken between the hours of [11 a.m. and 2:00 p.m.] on a staggered schedule so that your absence does not create a problem for co-workers or clients.

#### 3.7 BREAK PERIODS

Hong's Landscape & Nursery, Inc provides for employees to break during production activities twice per day for a total 30 minutes (15 mins in the morning & 15 mins in the afternoon).

If employees have unexpected personal business to take care of, they must notify their direct supervisor to discuss time away from work and make provisions as necessary. Personal business should be conducted on the employee's own time.

Employees who do not adhere to the break policy will be subject to disciplinary action, including termination.

Amendment to BREAK PERIOD July 4, 1996 Effective immediately the Mowing crew does not have break periods. The time spent in transit from one property to the next is considered break period.

Amendment to BREAK PERIOD March 1, 2015. Effective Immediately LANDSCAPE CREW will not stop at gas station for food and snacks on the way to jobsite in the morning. If crew stops, then one 15 min break or is forfeited or employees will only take 45min lunch. If you want drinks and snacks they should be brought to work with you.

#### 3.8 PERSONNEL FILES

Employee personnel files include the following: [job application, job description, résumé, records of participation in training events, salary history, records of disciplinary action and documents related to employee performance reviews, coaching, and mentoring.]

Personnel files are the property of Hong's Landscape & Nursery, Inc and access to the information is restricted. Management personnel of Hong's Landscape & Nursery, Inc who have a legitimate reason to review the file are allowed to do so.

Employees who wish to review their own file should contact their supervisor [or Human Resources Representative]. With reasonable advance notice, the employee may review his/her personnel file in Company's office and in the presence of their supervisor [or Human Resources Representative].

# 3.9 PERSONNEL DATA CHANGES

It is the responsibility of each employee to promptly notify their supervisor or the owner of any changes in personnel data such as:

- Mailing address,
- Telephone numbers,
- Name and number of dependents, and
- Individuals to be contacted in the event of an emergency.
- Loss or change in Drivers license

An employee's personnel data should be accurate and current at all times.

# 3.10 INCLEMENT WEATHER/EMERGENCY CLOSINGS

At times, emergencies such as severe weather, fires, or power failures can disrupt company operations. The decision to close the office will be made by the [Executive Staff].

When the decision is made to close the office, employees will receive official notification from their supervisors.

Time off from scheduled work due to emergency closings will be unpaid for all non-exempt employees. However, if employees would like to be paid, they are permitted to use vacation time if it is available to them.

#### 3.11 SEASONAL/TEMPORARY LAYOFF

a. Definition — A temporary or seasonal layoff is the removal of a regular staff employee from work or a period not exceeding four months. A temporary or seasonal layoff occurs when a temporary reduction in the workforce or of a particular kind of work is necessary within a particular administrative unit, work group, or department.

b. Selection — Management of the administrative unit, work group, or department decides which employees are to be placed on temporary layoff.

c. Notice — Employees to be placed on temporary layoff should be given as much notice as possible. Except in cases of emergency or in circumstances beyond the Company's control, employees should be given two weeks' (fourteen calendar days) notice. Oral notice should be followed as soon as possible with confirming written notice (no later than the actual date of layoff). The written notice must include the effective date of layoff and the date the employee is instructed to return to work. Any change in the date to return to work should also be confirmed in writing.

d. Continuity of Service — There is no break in continuity of the Company service during temporary layoff.

e. Benefits Continuation — An employee on temporary layoff may continue to receive the Company contributions toward health insurance and group life insurance, provided that the employee makes direct and timely payment to the Company of the employee's own contributions.

Vacation leave and sick leave do not continue to accrue during the temporary layoff as if regular time had continued to be worked.

f. Holidays — Holiday pay is not continued during periods of temporary layoff unless the period of temporary layoff does not exceed 25 calendar days, in which latter case regular holiday pay for the employee's normally scheduled number of hours will be paid upon the employee's return to work.

g. Failure to Return to Work — If an employee on temporary layoff fails to return to work when scheduled to return to work or when recalled to work, the employee shall be terminated unless a leave of absence is requested and approved. Written notice of termination must be given the employee no later than the termination date and must include the date of termination and notice of the employee's right to apply for unemployment compensation benefits.

h. Seasonal Layoff shall not be granted for more than 3 months time. If more than 3 months is needed, an employee must request a leave of absence.

# 3.12 EMPLOYEE PERFORMANCE REVIEW AND PLANNING SESSIONS

Supervisors will conduct performance reviews and planning sessions with all regular full-time and regular part-time employees after [six months] of service. Supervisors may conduct informal performance reviews and planning sessions more often if they choose.

Performance reviews and planning sessions are designed for the supervisor and the employee to discuss his/her current job tasks, encourage and recognize attributes, and discuss positive, purposeful approaches for meeting work-related goals. Together, employee and supervisor discuss ways in which the employee can accomplish goals or learn new skills. The planning sessions are designed for the employee and his/her supervisor to make and agree on new goals, skills, and areas for improvement.

Hong's Landscape & Nursery, Inc directly links wage and salary increases with attendance & performance. Your performance review and planning sessions will

have a direct effect on any changes in your compensation. For this reason among others, it is important to prepare for these reviews carefully, and participate in them fully.

New employees will be reviewed at the end of their probationary periods (see Section 3.3, Probationary Period for New Employees). After the initial review, the employee will be reviewed according to the regular [semi-annual] schedule.

# 3.13 CONFLICT OF INTEREST

Employees may hold outside jobs in non-related businesses or professions as long as the employee meets the performance standards of their job description with Hong's Landscape & Nursery, Inc Unless an alternative work schedule has been approved by Hong's Landscape & Nursery, Inc employees will be subject to the company's scheduling demands, regardless of any existing outside work assignments.

During the term of the Employee's active employment with the Employer, the Employee will not, directly or indirectly, engage or participate in any other business activities that the Employer, in its reasonable discretion, determines to be in conflict with the best interests of the Employer without the written consent of the Employer. Hong's employees are not allowed to perform landscape or lawn maintenance related work "on the side." Also, no employee is allowed to purchase any item from Hong's using the employee discount for anyone other than his/her immediate family. This rule is not intended to prevent any employee from supplementing his/her income if the opportunity arises in some other field. Each employee's loyalty must be to Hong's Landscape. If an employee contemplates additional employment while employed by Hong's approval must be obtained by the owner. This written approval will become part of the individuals personnel file. This rule also applies to seasonally laid off employees.

Violations of the above will be grounds for immediate dismissal.

Employees may not recommend other nurseries or garden centers unless specifically approved by the owner or manager.

Employees may assist friends or neighbors with their landscape as long as no money or services are exchanged.

Employees cannot purchase items for personal use from Hong's vendors under the pretense that it is for Hong's.

Hong's Landscape & Nursery, Inc's office space, equipment, and materials are not to be used for outside employment.

#### 3.14 CORRECTIVE ACTION

Hong's Landscape & Nursery, Inc holds each of its employees to certain work rules and standards of conduct (see Section 4). When an employee deviates from these rules and standards, Hong's Landscape & Nursery, Inc expects the employee's supervisor to take corrective action.

Corrective action at Hong's Landscape & Nursery, Inc is progressive. That is, the action taken in response to a rule infraction or violation of standards typically follows a pattern increasing in seriousness until the infraction or violation is corrected.

The usual sequence of corrective actions includes an oral warning, a written warning, probation, and finally termination of employment. In deciding which initial corrective action would be appropriate, a supervisor will consider the seriousness of the infraction, the circumstances surrounding the matter, and the employee's previous record.

Though committed to a progressive approach to corrective action, Hong's Landscape & Nursery, Inc considers certain rule infractions and violations of standards as grounds for immediate termination of employment. These include but are not limited to: theft in any form, insubordinate behavior, vandalism or destruction of company property, being on company property during non-business hours, the use of company equipment and/or company vehicles without prior authorization by [Executive Staff], untruthfulness about personal work history, skills, or training, divulging Company business practices, and misrepresentations of Hong's Landscape & Nursery, Inc to a customer, a prospective customer, the general public, or an employee.

#### 3.15 EMPLOYMENT TERMINATION

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are a few examples of some of the most common circumstances under which employment is terminated:

- Resignation voluntary employment termination initiated by an employee.
- **Termination** involuntary employment termination initiated by Hong's Landscape & Nursery, Inc

 Layoff – involuntary employment termination initiated by Hong's Landscape & Nursery, Inc for non-disciplinary reasons.

When a non-exempt employee intends to terminate his/her employment with Hong's Landscape & Nursery, Inc he/she shall give Hong's Landscape & Nursery, Inc at least [two (2) weeks] written notice. Exempt employees shall give at least [four (4) weeks] written notice.

Since employment with Hong's Landscape & Nursery, Inc is based on mutual consent, both the employee and Hong's Landscape & Nursery, Inc have the right to terminate employment at will, with or without cause during the Introductory/Probationary Period for New Employees (See Section 3.3, Introductory/Probationary Period for New Employees).

Any employee who terminates employment with Hong's Landscape & Nursery, Inc shall return all files, records, keys, and any other materials that are property of Hong's Landscape & Nursery, Inc. No final settlement of an employee's pay will be made until all items are returned in appropriate condition. The cost of replacing non-returned items will be deducted from the employee's final paycheck. Furthermore, any outstanding financial obligations owed to Hong's Landscape & Nursery, Inc will also be deducted from the employee's final check.

Employee's benefits will be affected by employment termination in the following manner. All accrued vested benefits that are due and payable at termination will be paid (see Section 5, Benefits, Commissions). Some benefits may be continued at the employee's expense (See Section 5, Benefits) if the employee elects to do so. The employee will be notified of the benefits that may be continued and of the terms, conditions, and limitations.

# 3.16 SAFETY

Hong's Landscape & Nursery, Inc provides information to employees about workplace safety and health issues through regular internal communication such as:

- [Training sessions]
- [Team meetings]
- [Bulletin board postings]
- [Memorandums]
- [Other written communications]

Each employee is expected to obey safety rules and exercise caution and common sense in all work activities. Employees must immediately report any unsafe conditions to their supervisor. Employees who violate safety standards, cause hazardous or dangerous situations, or fail to report, or where appropriate, remedy such situations, may be subject to disciplinary action including termination of employment. In the case of an accident that results in injury, regardless of how insignificant the injury may appear, employees should notify their supervisor (See Section 3.16, Employee Requiring Medical Attention).

## 3.17 HEALTH-RELATED ISSUES

Employees who become aware of any health-related issue, including pregnancy, should notify their supervisor of health status. This policy has been instituted strictly to protect the employee.

A written "permission to work" from the employee's doctor is required at the time or shortly after notice has been given. The doctor's note should specify whether the employee is able to perform regular duties as outlined in his/her job description. A leave of absence may be granted on a case-by-case basis. If the need arises for a leave of absence, employees should notify their supervisor.

# 3.18 EMPLOYEE REQUIRING MEDICAL ATTENTION

In the event an employee requires medical attention, whether injured or becoming ill while at work, the employee's personal physician must be notified immediately. If it is necessary for the employee to be seen by the doctor or go to the hospital, a family member will be called to transport the employee to the appropriate facility. If an emergency arises requiring Emergency Medical Services to evaluate the injury/illness of an employee on-site, the employee will be responsible for any transportation charges. Furthermore, Hong's Landscape & Nursery, Inc's employees will not be responsible for transportation of another employee due to liabilities that may occur.

What to do if an accident occurs on the job:

- 1. Tell the supervisor or owner that you were hurt on the job
- 2. Follow the instructions for getting medical air and follow the doctors instructions.
- 3. Within 200 days of the date of the accident or the sate of last payment of compensation for disability or authorized medical care, inform, in writing, Hong's Landscape & Nursery, Inc that you expect workers compensation for your injury. If you do not submit a written claim you may lose all rights to future compensation. A written claim may be submitted in person or by certified mail.
- 4. A physician's "return to work" notice may be required.

#### 3.19 BUILDING SECURITY

All employees who are issued keys to the office are responsible for their safekeeping. These employees will sign a Building Key Disbursement form upon receiving the key. The last employee, or a designated employee, who leaves the office at the end of the business day assumes the responsibility to ensure that all doors are securely locked, the alarm system is armed, thermostats are set on appropriate evening and/or weekend setting, and all appliances and lights are turned off with exception of the lights normally left on for security purposes. Employees are not allowed on Company property after hours without prior authorization from the [Executive Staff].

# 3.20 INSURANCE ON PERSONAL EFFECTS

All employees should be sure that their own personal insurance policies cover the loss of anything occasionally left at the office. Hong's Landscape & Nursery, Inc assumes no risk for any loss or damage to personal property.

# 3.21 SUPPLIES; EXPENDITURES; OBLIGATING THE COMPANY

Only authorized persons may purchase supplies in the name of Hong's Landscape & Nursery, Inc. No employee whose regular duties do not include purchasing shall incur any expense on behalf of Hong's Landscape & Nursery, Inc or bind Hong's Landscape & Nursery, Inc by any promise or representation without written approval.

# 3.22 EXPENSE REIMBURSEMENT

Expenses incurred by an employee must have prior approval by a supervisor. Reimbursements under [\$50.00] will be included in the employee's next regular paycheck. An example of such an expense would include mileage. If the amount is more than [\$50.00], the reimbursement request will be processed like an invoice. All completed reimbursement request forms should be turned in to [Accounts Payable/Payroll Department].

# 3.23 PARKING

Employees must park their cars in areas indicated and provided by the Company.

# 3.24 VISITORS IN THE WORKPLACE

To provide for the safety and security of employees, visitors, and the facilities at Hong's Landscape & Nursery, Inc, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps ensure security, decreases insurance liability, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

#### 3.25 IMMIGRATION LAW COMPLIANCE

Hong's Landscape & Nursery, Inc employs only United States citizens and those non-U.S. citizens authorized to work in the United States in compliance with the Immigration Reform and Control Act of 1986.

Each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with Hong's Landscape & Nursery, Inc within the past three years or if their previous I-9 is no longer retained or valid.

#### **SECTION 4**

# STANDARDS OF CONDUCT

The work rules and standards of conduct for Hong's Landscape & Nursery, Inc are important, and the Company regards them seriously. All employees are urged to become familiar with these rules and standards. In addition, employees are expected to follow the rules and standards faithfully in doing their own jobs and conducting the Company's business. Please note that any employee who deviates from these rules and standards will be subject to corrective action, up to and including termination of employment (see Section 3.12, Corrective Action).

While not intended to list all the forms of behavior that are considered unacceptable in the workplace, the following are examples of rule infractions or misconduct that may result in disciplinary action, including termination of employment.

- Theft or inappropriate removal or possession of property;
- Falsification of timekeeping records (See Section 5.2, Timekeeping);
- Working under the influence of alcohol or illegal drugs (See Section 4.6, Substance Abuse);
- Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace (See Section 4.6, Substance Abuse);
- Fighting or threatening violence in the workplace;
- Boisterous or disruptive activity in the workplace;
- Negligence or improper conduct leading to damage of company-owned or customer-owned property;
- Insubordination or other disrespectful conduct;
- Violation of safety or health rules;
- Smoking in the workplace;

- Sexual or other unlawful or unwelcome harassment (See Section 4.3, Harassment, Including Sexual Harassment);
- Excessive absenteeism or any absence without notice (See also, Section 4.1 Attendance/Punctuality and 4.2, Absence without Notice);
- Unauthorized use of telephones, or other company-owned equipment (See Section 4.4, Telephone Use);
- Using company equipment for purposes other than business (i.e. playing games on computers or personal Internet usage);
- Unauthorized disclosure of business "secrets" or confidential information;
- Violation of personnel policies; and
- Unsatisfactory performance or conduct.

# 4.1 ATTENDANCE/PUNCTUALITY

The Company expects that every employee will be regular and punctual in attendance. This means being in the office, ready to work, at their starting time each day. Absenteeism and tardiness places a burden on other employees and on the Company.

If you are unable to report for work for any reason, notify your supervisor before regular starting time. You are responsible for speaking directly with your supervisor about your absence. It is not acceptable to leave a message on a supervisor's voice mail, except in extreme emergencies. In the case of leaving a voice-mail message, a follow-up call must be made later that day. The company phone number is 316-687-3492 or email hongs@hongslandscape.com.

Should undue tardiness become apparent, disciplinary action may be required.

If there comes a time when you see that you will need to work some hours other than those that make up your usual work week, notify your supervisor at least [seven working days] in advance. Each request for special work hours will be considered separately, in light of the employee's needs and the needs of the Company. Such requests may or may not be granted.

#### Inclement Weather Leave

It will be the company's philosophy to close the office/store at any time that weather or emergencies make it difficult for employees and customers to get in and out. A very liberal attitude will be used in store closings. The owner will make all decisions as to whether the store will be open or closed in inclement weather.

If the office is closed, the owner will arrange for each employee to be called as soon as the decision can be made. It will be made the day or night before if possible but may be made in the morning. The owner will then call each person working or he may assign a responsible person to do this for him. It is of utmost importance to contact each employee as soon as possible. Be sure the owner always has you current telephone number & email on file. It may sometimes be impossible to reach all employees. Salaried employees will be paid regular pay while hourly employees will not be paid.

Unless otherwise instructed, employees are to report to work regardless of weather conditions. Work will be assigned, it at all possible, in inclement weather. When work can't be assigned, employees will be dismissed as soon as possible.

Employees will be paid for a minimum of two hours as long as the report to work. To be eligible for show up time (two hours) an employee must report to work on time card and remain on the premises until they supervisor gives the release and signs the time card for the day in question.

An excused absence will be noted for employees who do not show up

There may be some days that the office will be closed because of inclement weather but owner and employees may have to unload trucks, maintain equipment & vehicles, push snow, etc. this decision will be made by the owner.

# 4.2 ABSENCE WITHOUT NOTICE

When you are unable to work owing to illness or an accident, please notify your supervisor. This will allow the Company to arrange for temporary coverage of your duties, and helps other employees to continue work in your absence. If you do not report for work and the Company is not notified of your status, it will be assumed after two consecutive days of absence that you have resigned, and you will be removed from the payroll.

If you become ill while at work or must leave the office for some other reason before the end of the workday, be sure to inform your supervisor of the situation [and check out with the receptionist].

# 4.3 HARASSMENT, INCLUDING SEXUAL HARASSMENT

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

If you believe you have been the victim of harassment, or know of another employee who has, report it immediately. Employees can raise concerns and make reports without fear of reprisal.

Any supervisor who becomes aware of possible harassment should promptly advise their supervisor [or the Human Resources Representative] who will handle the matter in a timely and confidential manner.

## 4.4 TELEPHONE USE

Hong's Landscape & Nursery, Inc telephones are intended for the use of serving our customers and in conducting the Company's business.

Personal usage during business hours is discouraged except for extreme emergencies. All personal telephone calls should be kept brief to avoid congestion on the telephone line. To respect the rights of all employees and avoid miscommunication in the office, employees must inform family members and friends to limit personal telephone calls during working hours.

The use of personal cell phones and pagers is to be limited to lunch or break periods. Personal cell phones and pagers will be turned off during work hours. Cell phones (talking & texting) may not be used while operating a moving motor vehicle while on business for the company.

<u>Excessive cell phone use will not be tolerated.</u> After an employee has been warned three times, for each infraction thereafter, the previous week bonus will be deducted from year end totals.

If an employee is found to be deviating from this policy, he/she will be subject to disciplinary action (See Section 3.12, Corrective Action).

#### 4.5 PUBLIC IMAGE

A professional appearance is important anytime that you come in contact with customers or potential customers. Employees should be well groomed and dressed appropriately for our business and for their position in particular.

The following items are considered inappropriate working attire for Hong's Landscape & Nursery, Inc:

- Open-toed sandals
- Spaghetti-strapped shirts
- Tank tops or revealing shirts
- Short mini skirts
- Sheer clothing
- T-shirts with inappropriate or offensive gestures or advertising
- Sleeveless shirt or cut off pants

Landscape Crew :

Hong's Landscape & Nursery Inc must operate regardless of weather conditions including rain and snow. Waterproof boots and other garments as well as warm clothing, should be brought to the nursery at all times. Employees are responsible for their own clothing.

- Jeans or Khaki pants or Coveralls
- Company Provided T-Shirts
- Tennis Shoes, Work Boots or mud shoes/boots
- All hats are permitted given they are not offensive in any manner

If management occasionally designates "casual days," appropriate guidelines will be provided to you.

Consult your supervisor if you have any questions about appropriate business attire.

# 4.6 SUBSTANCE ABUSE

The Company is committed to providing a safe and productive workplace for its employees. In keeping with this commitment, the following rules regarding alcohol and drugs of abuse have been established for all staff members, regardless of rank or position, including both regular and temporary employees. The rules apply during working hours to all employees of the Company while they are on Company premises or elsewhere on Company business.

The manufacture, distribution, possession, sale, or purchase of controlled substances of abuse on Company property is prohibited.

Being under the influence of illegal drugs, alcohol, or substances of abuse on Company property is prohibited.

Working while under the influence of prescription drugs that impair performance is prohibited.

So that there is no question about what these rules signify, please note the following definitions:

Company property: All Company owned or leased property used by employees.

Controlled substance of abuse: Any substance listed in Schedules I-V of Section 202 of the Controlled Substance Act, as amended.

Drug: Any chemical substance that produces physical, mental, emotional, or behavioral change in the user.

Drug paraphernalia: Equipment, a product, or material that is used or intended for use in concealing an illegal drug, or otherwise introducing into the human body an illegal drug or controlled substance.

Illegal drug:

a. Any drug or derivative thereof whose use, possession, sale, transfer, attempted sale or transfer, manufacture, or storage is illegal or regulated under any federal, state, or local law or regulation.

b. Any drug, including – but not limited to – a prescription drug, used for any reason other than that prescribed by a physician.
c. Inhalants used illegally.

Under the influence: A state of not having the normal use of mental or physical faculties resulting from the voluntary introduction into the body of an alcoholic beverage, drug, or substance of abuse.

Consistent with the rules listed above, any of the following actions constitutes a violation of the Company's policy on drugs and may subject an employee to disciplinary action, up to and including immediate termination.

Using, selling, purchasing, transferring, manufacturing, or storing an illegal drug or drug paraphernalia, or attempting to or assisting another to do so, while in the course of employment.

Working or reporting to work, conducting Company business or being on Company property while under the influence of an illegal drug or alcohol, or in an impaired condition.

# 4.7 TOBACCO PRODUCTS

The use of tobacco products is not permitted anywhere on the Company's premises except in authorized and designated locations. Employees must follow all rules posted in designated smoking areas and adhere to all policies associated with this policy (See Sections 3.6, Break Periods and 3.14, Safety).

Absolutely no tobacco use allowed in company vehicles or on a customer's property. This includes, but is not limited to: cigarettes, cigars, chewing tobacco, snuff, dip, etc.

#### 4.8 EMAIL & INTERNET USE

Hong's Landscape & Nursery, Inc employees are allowed use of the Internet and e-mail when necessary to serve our customers and conduct the Company's business.

Employees may use the Internet when appropriate to access information needed to conduct business of the Company. Employees may use e-mail when appropriate for Company business correspondence.

Use of the Internet must not disrupt operation of the company computer network. Use of the Internet must not interfere with an employee's productivity. Employees are responsible for using the Internet in a manner that is ethical and lawful.

Email and Internet messages are public and not private. Hong's Landscape & Nursery, Inc reserves the right to access and monitor all files and messages on its systems. There is no promise of privacy, expressed or implied, with regard to email and internet messaging. While it is not the company policy to read every email and internet message, it does reserve the right to read and preserve any message it deems necessary. You should not write/save/place any message on the systems that you or your supervisor may find embarrassing, unprofessional, or inappropriate. It will also be company policy not to use company email, computers or systems to slander or bad mouth any one, any business, or anything for any reason.

It will be company policy to not use social networking sites (Facebook, MySpace, LinkdIn, etc.) on company computers without permission to do so. Permission will be granted only when it is to benefit business and achieve company goals. Employees found to be using these on company computer and time are subject to disciplinary action, including termination.

# 4.9 CONFIDENTIAL INFORMATION

- The Employee acknowledges that, in any position the Employee may hold, in and as a result of the Employee's employment by the Employer, the Employee will, or may, be making use of, acquiring or adding to information which is confidential to the Employer (the "Confidential Information") and the Confidential Information is the exclusive property of the Employer.
- The Confidential Information will include all data and information relating to the business and management of the Employer, including but not limited to, proprietary and trade secret technology and accounting records to which access is obtained by the Employee, including Work Product, Computer Software, Other Proprietary Data, Business Operations, Marketing and Development Operations, and *Customer Information.*
- The Confidential Information will also include any information that has been disclosed by a third party to the Employer and is governed by a non-disclosure agreement entered into between that third party and the Employer.
- The Confidential Information will not include information that: a. Is generally known in the industry of the Employer;

- b. Is now or subsequently becomes generally available to the public through no wrongful act of the Employee;
- c. Was rightfully in the possession of the Employee prior to the disclosure to the Employee by the Employer;
- d. Is independently created by the Employee without direct or indirect use of the Confidential Information; or
- e. The Employee rightfully obtains from a third party who has the right to transfer or disclose it.
- The Confidential Information will also not include anything developed or produced by the Employee during the Employee's term of employment with the Employer, including but not limited to, any intellectual property, process, design, development, creation, research, invention, know-how, trade name, trade-mark or copyright that:
  - a. Was developed without the use of equipment, supplies, facility or Confidential Information of the Employer;
  - b. Was developed entirely on the Employee's own time;
  - c. Does not result from any work performed by the Employee for the Employer; and
  - d. Does not relate to any actual or reasonably anticipated business opportunity of the Employer.

# 4.10 Ownership and Title to Confidential Information

- The Employee acknowledges and agrees that all rights, title and interest in any Confidential Information will remain the exclusive property of the Employer. Accordingly, the Employee specifically agrees and acknowledges that the Employee will have no interest in the Confidential Information, including, without limitation, no interest in know-how, copyright, trade-marks or trade names, notwithstanding the fact that the Employee may have created or contributed to the creation of the Confidential Information.
- The Employee waives any moral rights that the Employee may have with respect to the Confidential Information.
- The Employee agrees to immediately disclose to the Employer all Confidential Information developed in whole or in part by the Employee during the Employee's term of employment with the Employer and to assign to the Employer any right, title or interest the Employee may have in the Confidential Information. The Employee agrees to execute any instruments and to do all other things reasonably requested by the Employer, both during and after the Employee's employment with the Employer, in order to vest more fully in the Employer all ownership rights in those items transferred by the Employee to the Employer.

# 4.11 Return of Confidential Information

- The Employee agrees that, upon request of the Employer or upon termination or expiration, as the case may be, of this employment, the Employee will turn over to the Employer all Confidential Information belonging to the Employer, including but not limited to, all documents, plans, specifications, disks or other computer media, as well as any duplicates or backups made of that Confidential Information in whatever form or media, in the possession or control of the Employee that:

- a. May contain or be derived from ideas, concepts, creations, or trade secrets and other proprietary and Confidential Information as defined in this Agreement; or
- b. Is connected with or derived from the Employee's employment with the Employer.

#### 4.12 NON-SOLICITATION

1. The Employee understands and agrees that any attempt on the part of the Employee to induce other customers, employees or contractors to leave the Employer's employ, or any effort by the Employee to interfere with the Employer's relationship with its other customers, employees and contractors would be harmful and damaging to the Employer. The Employee agrees that during the Employee's term of employment with the Employer and for a period of five (5) years after the end of that term, the Employee will not in any way, directly or indirectly:

a. Induce or attempt to induce any employee or contractor of the Employer to quit employment or retainer with the Employer;b. Otherwise interfere with or disrupt the Employer's relationship with its employees and contractors;

c. Discuss employment opportunities or provide information about competitive employment to any of the Employer's employees or contractors; or,

d. Solicit, entice, or hire away any employee or contractor of the Employer for the purpose of an employment opportunity that is in competition with the Employer.

2. This non-solicitation obligation as described in this section will be limited to employees or contractors who were employees or contractors of the Employer during the period that the Employee was employed by the Employer.

3. During the term of the Employee's active employment with the Employer, and for five (5) years thereafter, the Employee will not divert or attempt to divert from the Employer any business the Employer had enjoyed, solicited, or attempted to solicit, from its customers, prior to termination or expiration, as the case may be, of the Employee's employment with the Employer.

#### **SECTION 5**

#### WAGE AND SALARY POLICIES

#### 5.1 WAGE OR SALARY INCREASES

Each employee's hourly wage or annual salary will be reviewed at least once each year. The employee's review date will usually be conducted on or about the anniversary date of employment or the date of the previous compensation review. Such reviews may be conducted more frequently for a newly created position, or based on a recent promotion.

Increases will be determined on the basis of performance, adherence to company policies and procedures, and ability to meet or exceed duties per job description and achieve performance goals (See Section 3.10, Performance Review/Planning Sessions).

Although the Company's salary ranges and hourly wage schedules will be adjusted on an ongoing basis, Hong's Landscape & Nursery, Inc does not grant "cost of living" increases. Performance is the key to wage increases in the Company.

#### 5.2 TIMEKEEPING

Accurately recording time worked is the responsibility of every non-exempt employee. Time worked is the time actually spent on a job(s) performing assigned duties.

Hong's Landscape & Nursery, Inc does not pay for extended breaks or time spent on personal matters.

The time clock is a legal instrument. Altering, falsifying, tampering with time records, or recording time on another team member's time record will result in disciplinary action, including termination of employment.

Authorized personnel will review time records each week. Any changes to an employee's time record must be approved by his/her supervisor or the owner. Employees are to check their time card at the end of each week to insure that all times are correct. Once a check has be paid there will be no changes made to time cards unless it is a mistake by management.

Questions regarding the timekeeping system or time cards should be directed to the office manager or the owner.

# Time Cards –

- 1. Time cards are to be punched by all employees unless approved by the owner and/or the project manager.
- 2. Employees are to punch in time at the beginning of the work day and out at the end of the work day if possible. If it is not possible to punch in or out the supervisor must write down the time for you and sign the time card.
- 3. Employees are to punch in and out for lunch. One hour is automatically deducted for employees who do not punch in and out for lunch. If an employee does not take lunch and it has been approved they must have the supervisor write "no lunch" and sign.
- 4. Each employee must punch their own time card. Touching another's time card is grounds for dismissal.

# 5.3 OVERTIME

Hong's Landscape & Nursery, Inc is open for business 6 days per week. Overtime compensation is paid to non-exempt employees in accordance with federal and state wage and hour restrictions. Overtime is payable for all hours worked over [40] per week at a rate of one and one-half times the non-exempt employee's regular hourly rate. Overtime is not paid to salaried employees. Time off on personal time, holidays, or any leave of absence will not be considered hours worked when calculating overtime. In addition, vacation time does not constitute hours worked.

All overtime work performed by an hourly employee must receive the supervisor's prior authorization. Overtime worked without prior authorization from the supervisor may result in disciplinary action. The supervisor's signature on a timesheet authorizes pay for overtime hours worked.

# 5.4 PAYDAYS

All employees are paid weekly. In the event that a regularly scheduled payday falls on a weekend or holiday, employees will receive pay on the day before the regular pay day or on the next day of operation.

If a regular payday falls during an employee's vacation, the employee's paycheck will be available upon his/her return from vacation. At no time will a paycheck be made available before the regularly scheduled pay period.

If the employee is not at work when paychecks are distributed and does not receive the paycheck, the paycheck will be kept at the reception desk through the rest of the payday. If an employee is unable to pick up his or her check on payday, he or she will need to see the company Bookkeeper or Human Resources Representative.

Paychecks will not, under any circumstances, be given to any person other than the employee without written authorization. Paychecks may also be mailed to the employee's address at the cost of postage.

#### **SECTION 6**

#### **BENEFITS AND SERVICES**

Hong's Landscape & Nursery, Inc offers a benefits program for its regular fulltime and regular part-time employees. However, the existence of these programs does not signify that an employee will necessarily be employed for the required time necessary to qualify for the benefits included in and administered through these programs.

#### 6.1 GROUP INSURANCE

Hong's Landscape & Nursery, Inc offers the following health insurance programs for REGULAR FULL-TIME employees (as determined by the carrier of the policies).

#### HEALTH INSURANCE

This Manual does not contain the complete terms and/or conditions of any of the Company's current insurance benefit plans. It is intended only to provide general explanations. If there is ever any conflict between the Manual and any documents issued by one of the Company's insurance carriers, the carrier's guideline regulations will be regarded as authoritative.

#### LIFE INSURANCE

At this time Hong's does not have any life insurance plans available to employees.

This Manual does not contain the complete terms and/or conditions of any of the Company's current insurance benefit plans. It is intended only to provide general explanations. If there is ever any conflict between the Manual and any documents issued by one of the Company's insurance carriers, the carrier's guideline regulations will be regarded as authoritative.

#### 6.2 COBRA BENEFITS

The Federal Consolidated Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under the Hong's Landscape & Nursery, Inc's health plan when a "qualifying event" would normally result in the loss of eligibility.

Some common qualifying events are resignation, termination of employment, or death of an employee; a reduction in an employee's hours or leave of absence, divorce or legal separation and a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary pays the full cost of coverage at Hong's Landscape & Nursery, Inc's group rates plus an administration fee. Hong's Landscape & Nursery, Inc provides each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for coverage under Hong's Landscape & Nursery, Inc's health insurance plan. The notice contains important information about the employee's rights and obligations.

#### 6.3 SOCIAL SECURITY/MEDICARE

Hong's Landscape & Nursery, Inc withholds income tax from all employees' earnings and participates in FICA (Social Security) and Medicare withholding and matching programs as required by law.

#### 6.4 BONUSES

Employees who have worked for more than 12 consecutive months, a bonus will be paid equivalent to \$0.25 per hour of work in the previous calendar year. Bonus will not be paid to employees who quit or are fired, for any reason. (example: 2000 hours worked in 12 months x 0.25/hour = 500 bonus) (effective December 1, 2014).

Amendment to bonus policy March 1, 2015. (Effective immediately)

Any employee who does not respond to a call from management within a reasonable time period and does not report to work when on call will not be paid bonus for the previous work week. Ex. Rain, Snow, Saturday on call work.

It is company policy not to pay a bonus to "part-time", "seasonal" or to an employee that has worked less than 12 consecutive months. However, if the business has been profitable, there may be a bonus paid to said employees, at a rate determined at the managements discretion.

# 6.5 VACATION

Part Time or Seasonal employees will not receive any pay for vacation days taken.

Permanent employees may accumulate not more than 40 hours of vacation in a 12 month period by working 2000 hours in the year.

If vacation time is not used with the year, the hours may not be carried over into the following year. Use them or lose them.

For employees who have worked more than 5 years, vacation pay equivalent to 2 weeks' pay will be paid automatically at year end if not taken during said year (effective December 1, 2014).

All top managers who have been top managers since March first of the current year will have from December 24<sup>th</sup> through January 2<sup>nd</sup> off with pay if all work can be arranged. A leave form must be submitted to and approved by the owner. This leave cannot be taken at another time. If the leave is not used at this time, for whatever reason, it cannot be carried forward.

Vacations will be taken during the months of December, January, February, July, or August. Exceptions to this rule can be made, depending on work load, but will be handled on an individual basis and must be approved by the owner. Vacations must be scheduled with the employees immediate supervisor at least 2 weeks in advance.

To use the vacation leave, a permanent employee must always have it approved by the owner. The owner will submit to payroll when the leave will be taken.

The supervisor and manager will maintain a projected vacation schedule for each employee. These schedules will be on the calendar year basis, will be tentative, and in no way be binding for any employee. The employee who is on the schedule first will, in all probability, be given preference; extenuating circumstances will be considered when conflicts occur.

Vacation will not be given to anyone who is fired or to anyone who quits/resigns during the "busy" season or 30 days prior to the "busy" season. It will not be given to any sales person who has not met their sales quota and who has not completed sold contracts satisfactorily.

Advance leave or vacation will not normally be granted. However, in emergency or unusual situations an employee may request advance leave or vacation pay. This type of leave must be approved by the owner.

Vacation or leave without pay may be approved by the owner. These results will be handled on an individual basis and will depend largely on the work load.

Earned vacation leave cannot be taken before it is accrued and approved.

Exceptions to this policy pertaining to personal leave will be made at the discretion of the management &/or owner only.

Hong's Landscape & Nursery, Inc encourages all employees to make the most of their vacation time. Regular breaks from daily work make everyone more productive.

#### 6.6 PERSONAL LEAVE

Currently, there are no federal legal requirements for paid sick leave. The Fair Labor Standards Act does not require payment for time not worked, such as vacations, sick leave or federal or other holidays. These are BENEFITS and are a matter of agreement between the owner and an employee.

At the time an employee reaches permanent status his is given 24 hours (3days) of personal and/or sick leave which covers the 12 months of continuous employment prior to his becoming permanent.

Since managers and administrative staff reach permanent status after six weeks they receive 6 hours of personal or sick leave covering the first 3 months of employment starting from the date of full time employment. They will accrue 6 hours per quarter after that.

During each year following his permanent status he will accrue 6 hours of personal or sick leave per quarter for a total of 24 hours per year.

If a permanent employee does not work at least half of the work days in a quarter, he will not accrue hours for that quarter.

Accumulated personal leave will be given to employees terminating their employment in good grace. It will not be given to anyone who is fired or to anyone who resigns during the "busy" season or 30 days prior to the "busy" season.

Permanent employees may accumulate no more than 24 hours personal or sick leave in a 12 month period. Sick leave is not payable or usable upon termination or resignation.

To use personal leave a permanent employee must always request the leave through the owner/manager. The owner/manager will inform payroll of the leave.

Exceptions to this policy pertaining to personal leave will be made at the discretion of the owner only.

Federal & Kansas Law does not require companies with less than 50 employees to pay for Parental Leave. FMLA provides certain employees with up to 12 weeks of unpaid, job-protected leave per year. It also requires that their group

health and other benefits be maintained during the leave. FMLA restricts you from accruing benefits or time toward seniority while you're out on leave. Vacation and sick day accrual and the amount of time you've worked for the company are also put on hold. As such, this can affect:raises based on seniority additional vacation days.

Because of this Parental leave will be handled on a case by case basis. Typically Maternity/Paternity leave for seasoned Full Time Salaried employees will be 1 week paid time off. Any additional time off will come as unpaid leave of absence and/or addional time can be requested through vacation pay.

# 6.7 RECORD KEEPING

The [Human Resources Department] maintains vacation days accrued and used. Each employee is responsible for verifying his/her pay stub to make sure the correct amount of hours appear.

# 6.8 HOLIDAYS

Hong's Landscape & Nursery, Inc observes the following paid holidays per year for all [non-exempt] employees:

New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Day.

If the holiday falls on a weekend there will be no additional days off and any days off other than the actual day of the holiday will be unpaid days off unless the owner decides otherwise. Ex July 4<sup>th</sup> is on Saturday and we are closed Friday or Monday.

To qualify for holiday pay an employee MUST work the week before and the week after if scheduled unless other arrangements are made in advance.

Permanent employees who are not working because of Seasonal Layoff or because they have requested extended (three days or more) time off without pay will not be paid for holidays.

At no time will overtime pay be paid as a result of a paid holiday.

# 6.9 JURY DUTY/MILITARY LEAVE

Employees will be granted time off to serve on a jury or military leave without pay. However, all regular employees both full-time or part-time will be kept on the active payroll until their civic duties have been completed. A copy of the jury

duty summons and all other associated paperwork are required for the personnel file.

#### 6.10 COMMISSIONS

Commission based on sales and/or jobs completed may become an option for a fulltime salaried employee.

Commission will be based on a percentage of sales set by owner and the employee.

Commission will be paid only upon completion of job and customers satisfaction.

All commissions will be based on quarterly quotas. If a quarterly quota is not met but the yearend total quotas are met then a request for commission may be submitted and will be paid or unpaid on a case by case basis.

No overtime will be paid to salaried and/or commission employees.

Landscape sales commission is based only on signed contracts and additions to signed contracts. Commission will not be paid for subcontracted work, designs, consultations, and retail sales.

Retail sales commissions are based on sales logged in point of sale.

Each commission employee is responsible for keeping record of all commission data and paperwork.

All records & files must be submitted with a request for commission and a track record of quarterly quotas before they will be paid out.

At no time will commission be paid where a loss of profit is incurred on a job or retail sale. Also, in extreme cases, the company will require commissions to be forfeited if there is a loss to the company. This may be through commission forfeiture on future sales or through forfeiture of vacation or sick leave, or through other arrangements agreed to by both the owner and the employee.

At no time will commission be paid if the employee resigns/quits 30 days prior to or within the busy season (March thru November) or gives less than 2 weeks notice. This applies to all unpaid commissions within the quarterly quota of which the employee resigns within and any disputed unpaid commissions.

#### 6.11 TRAINING AND PROFESSIONAL DEVELOPMENT

Hong's Landscape & Nursery, Inc recognizes the value of professional development and personal growth for employees. Therefore, Hong's Landscape & Nursery, Inc encourages its employees who are interested in continuing education and job specific training to research these further and get approval before signing up for the seminars or courses.

Hong's Landscape & Nursery, Inc encourages interested employees to take and pass the Kansas Nurserymans Certification.

# **SECTION 7**

#### **EMPLOYEE COMMUNICATIONS**

# [7.1 STAFF MEETINGS]

Quarterly staff meetings will be held at the beginning of each quarter. These informative meetings allow employees to be informed on recent company activities, changes in the workplace and employee recognition. All employees are required to attend unless told otherwise.

# [7.2 BULLETIN BOARDS]

Bulletin boards placed in [designated areas] provide employees access to important posted information and announcements. The employee is responsible for reading necessary information posted on the bulletin boards.

# [7.3 SUGGESTION BOX]

Hong's Landscape & Nursery, Inc encourages employees who have suggestions that they do not want to offer orally or in person to write them down and leave them [in the suggestion box located in the production center]. If this is done anonymously, every care will be taken to preserve the employee's privacy. [A member of the Executive Staff] checks the box on a regular basis.

# [7.4 PROCEDURE FOR HANDLING COMPLAINTS]

Under normal working conditions, employees who have a job-related problem, question or complaint should first discuss it with their immediate supervisor. At this level, employees usually reach the simplest, quickest, and most satisfactory solution. If the employee and supervisor do not solve the problem, encourages employees to contact the [Human Resources Representative.] I hereby acknowledge receipt of the Hong's Landscape & Nursery Inc Employee Handbook. I have read and understand the guidelines, policies, and procedures presented herein. I realize that this handbook is notification of Hong's Landscape & Nursery Inc guidelines, policies, and procedures. I understand that this handbook is not intended to create any contractual rights in favor of Hong's Landscape & Nursery, Inc. or me. I also understand that it is not to be construed as a guarantee of employment for an specific period of time, for any specific type of work, or for any specific terms. I agree that my employment is "at will" and may be terminated at any time by either Hong's Landscape & Nursery Inc or me, with or without cause. I acknowledge my responsibility to become familiar with the terms of this handbook and further acknowledge that Hong's Landscape & Nursery Inc may change the terms of this handbook without notice, and at any time, and that any written changes furnished to me should be kept with this handbook as a record of current guidelines, policies and procedures until a revised handbook is issued.

I have read and agree to abide by this Employee Manual.

Employee Signature

Date

Witnessed by:

**Business Representative** 

Date