Gillespie Companies







Employee Handbook

2013 Version

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WELCOME

Welcome to Gillespie & Son Inc., Gillespie Precast LLC., and Delmarva Castings & Supply, LLC. We are pleased that you are joining us and we know that your contributions will assist us in remaining a leader in our industry.

As one of our employees, you will want to know what you can expect from us and what we expect from you. This Handbook will give you that information by outlining our Company's current benefits, practices and policies. Throughout this handbook when we refer to the "Company" we are referring to Gillespie & Son Inc, Gillespie Precast LLC., and Delmarva Castings and Supply, LLC.

You should keep this Handbook handy as a guide and ready reference throughout your employment here. If you have any questions as you read through this Handbook, please do not hesitate to discuss them with your manager. Your manager is a very important source of information and will be happy to assist you.

ABOUT OUR COMPANY

Gillespie and Son Inc. has been owned and operated by the Gillespie Family since 1922. Our original location was at Dudley's Corner in Sudlersville, Md. where we manufactured concrete block. We went into the Ready Mix Concrete business in 1959. In 1961 we purchased our current facility in Chestertown. In 1971 we started our precast business making Septic Tanks and other various precast items. In 1984 we started making Catch Basins and Custom Precast Structures. In 2004 we separated our precast division into Gillespie Precast LLC. In February of 2009 we started Delmarva Castings and Supply LLC., which is a distributor of cast steel and related products supplied to the construction industry. All payroll is still processed through Gillespie & Son Inc. and this handbook represents all companies. We are now in our fourth generation of family ownership and with your help hope to continue operating as a family business for many years to come. The officers of the companies are as follows.

Gillespie & Son Inc.	
James E. Gillespie	President
Todd S. Gillespie	Vice President
Deborah C. Bennett	Treasurer / Secretary
Gillespie Precast LLC.	
James E. Gillespie	President
James B. Talbott	Vice President
Delmarva Castings & Supply LLC.	
James E. Gillespie	President
James B. Talbott	Vice President

PURPOSE OF THE HANDBOOK

This Handbook is designed to acquaint you with our Company and to give you a ready reference to answer most of your questions regarding your employment with us. We intend for this Handbook to offer two-way communications: what you can expect from us, and what we expect from you. However, the contents of this Handbook constitute only a summary of the employee benefits, personnel policies, and employment regulations in effect at the time of publication. In the case of insurance and pension benefits, the current insurance or pension plan documents will control.

This Handbook supersedes all previous handbooks, policies and practices which are in any way inconsistent with the contents of this Handbook. We reserve the right to add, change, or delete benefits and policies as we deem appropriate.

Finally, this Handbook should not be construed as creating any kind of employment contract for any particular period. All of our employees are considered to be employed "at will." Your status as an "at will" employee may not be changed except by a written agreement signed by the Company President.

WHAT YOU CAN EXPECT FROM US:

OUR CUSTOMER RELATIONS PHILOSOPHY

Our most important goal is customer satisfaction. Customers are the most important people in the world. Let's face it, without them we would not be here. Therefore, please observe the following:

TEN COMMANDMENTS

- CUSTOMERS are the most important people in our business, whether we are dealing with them in person or over the telephone.
- CUSTOMERS are not dependent on us. We are dependent on them.
- CUSTOMERS are not an interruption of our work. They are the purpose for it.
- CUSTOMERS favor us with their patronage. We are not doing them a favor by serving them.
- CUSTOMERS are an essential part of our business. They are not outsiders.
- CUSTOMERS are not cold statistics. They are human beings with feelings and emotions like your own.

- CUSTOMERS are not just someone to argue with or match wits with.
- CUSTOMERS are people who bring us their wants. It is our job to fill those wants.
- CUSTOMERS are deserving of the most courteous and attentive treatment we can give them.
- CUSTOMERS ARE THE LIFE BLOOD OF OUR BUSINESS

OUR EMPLOYEE RELATIONS PHILOSOPHY

We are dedicated to continuing what we believe to be an excellent employee relations program. We will do our best to maintain good working conditions, competitive wages and benefits, open communications, and employee involvement.

Over the years, the Company has earned a fine reputation in our industry. We know that our reputation is a direct result of the loyalty, commitment and continued efforts of our employees. We sincerely believe that our success over the years is due in no small part to the cooperative relationship between the Company and our employees.

EQUAL EMPLOYMENT OPPORTUNITY

We are committed to providing equal opportunity in all of our employment practices including selection, hiring, promotion, transfer, and compensation to all qualified applicants and employees without regard to race, color, religion, sex/gender, national origin, citizenship status, age, disability or any other status protected by law.

If you are an individual with a disability and you desire an accommodation of any kind, please let your manager know. We will be happy to assist you.

NEW EMPLOYEE ORIENTATON

All new employees will go through an employee orientation. The orientation is intended to introduce you to our company and familiarize you to how our company works. You will be asked to sign a safety commitment after reviewing our safety program. You will briefly review this handbook, meet your supervisors and trainers, and be introduced to your work surroundings. At this time we will make sure all your paperwork is in order and your transition to your new job goes smoothly.

PROBATIONARY PERIOD

For every new or promoted employee, the first 3 months of full-time employment is a trial period for both you and the Company. Your manager will be available to answer any questions that you may have.

During this period, your job performance, attendance, attitude, and ability to take directions and perform required work will be carefully reviewed by your manager. The company, at its sole discretion, will grant you regular employee status, continuing probationary period or termination of your employee relationship.

If, as a result of an illness or injury, you are absent from work during your introductory period, we may choose to extend your introductory period as necessary to give you a fair opportunity to demonstrate your ability to do the job. If your introductory period is extended, you will be notified. Should an employee's performance become unsatisfactory at any time during this trial period, the employee will be subject to discharge at that time.

COMPANY BENEFITS

YOUR PAY.

We offer the option of a paycheck or direct deposit for all employee paychecks. If direct deposit is used, money will be deposited into your account each Friday for the hours worked on the previous weeks pay period. If you are interested in direct deposit please let your supervisor know. If the paycheck option is chosen paychecks will usually be available at 12:00 on Fridays but could be as late as 4:30 pm for the previous weeks pay period. If the payday falls on a holiday, paychecks will be distributed on the previous day.

Each employee is responsible for picking up his or her own paycheck on the normally scheduled payday. Each employee is responsible to promptly report a lost or stolen paycheck and may be liable for the cost of a replacement check. Signing this policy acknowledges that you authorize the company to deduct any monies owed to the company for various reasons from you paycheck. Any questions or concerns about your pay amount or deductions should be brought to the attention of your manager immediately.

UNIFORMS

After the three-month probationary period you are eligible to order uniforms from our uniform company. There is a small weekly charge for the service. You may get your uniforms before three months if you agree to pay all set up charges received by us if you quit or are terminated during the probationary period. All uniforms must be returned or paid for prior to receiving your final paycheck.

VACATION

All full-time hourly employees are eligible for paid vacation after a full year of continuous employment.

Our vacation is based on a calendar year, not your anniversary date. In order to do this we pro-rate the first year's vacation earned based on the time of year you start. The schedule below is how we determine how much vacation you will receive after your first year of continuous employment.

If your start date is in:	Hours Eligible:
January	40
February	40
March	32
April	32
May	24
June	24
July	16
August	16
September	8
October	8
November	0
December	0

For example:

If you start work on May 23, 2009 you will be eligible for 3 days (24 hours) vacation between May 23, 2010 and December 31, 2010. In 2011 you will have one week (40 hours) vacation.

After 1 year of continuous service see above pro-rated schedule. The following calendar year you are eligible for 40 hours vacation.

After 5 years of continuous service you are eligible for 80 hours vacation pro-rated as above. After 15 years of continuous service you are eligible for 120 hours vacation pro-rated as above. Vacation must be used before the end of the year and cannot be carried over to the next year.

If you are eligible for one-week vacation it must be taken in the winter or when it is agreeable with your supervisor. If you are eligible for two or three weeks vacation you must take one in the winter and the balance at your discretion. There are to be no more than 2 individuals from any one department on vacation at the same time. Your winter vacation will be selected for you if you do not let your manager know a particular date. Vacations are available on a first come, first serve basis.

Overtime pay is paid only when an employee actually works more than forty hours in a week. Vacation pay is not considered compensation for hours worked.

If you resign or are terminated you will be paid vacation hours for only the amount of time you worked that year. If you have used more vacation than you have earned you will be obligated to refund the monies you did not earn. That money will be deducted from your final paycheck. Employees that do not give appropriate notice at time of resignation will not receive vacation payout. Employees that are discharged for just cause will not receive vacation payout.

HOLIDAYS

All full-time employees are eligible to be paid for the following 7 holidays:

New Year's Day Memorial Day Fourth of July Labor Day Thanksgiving Day Christmas Eve Christmas Day

To receive holiday pay, you must have completed your probationary period and you must work your last scheduled day before the holiday and your first scheduled day after the holiday, unless excused by your manager.

GROUP HEALTH INSURANCE

We provide group health insurance coverage for our full-time employees who request it. Coverage begins after your probationary period.

The Company currently pays the majority of the insurance premiums for our employees only. Family coverage is also available at a reduced cost to the employee through pre-tax payroll deductions.

For specific details concerning eligibility and coverage, please be sure to consult the insurance contract itself, which may be obtained from your manager. We reserve the right to add, change or delete any provisions of this policy, as we deem appropriate.

We must all recognize that the cost of our insurance plan is based upon how much it is utilized. Therefore, each of us must work to utilize the cost containment provisions of the policy. This will help to keep the cost of our health care down and enable us to continue to provide this very valuable benefit.

In most cases, when an employee leaves us, he or she will be allowed to continue group health insurance coverage for a period of time under a law know as "COBRA." You will receive "COBRA" information in the mail from the Health Insurance Administrator soon after your employment has ended with the company.

Employees that take leave may be eligible to continue receiving health insurance for up to 12 weeks as required by the Family and Medical Leave Act.

LIFE INSURANCE

The company provides life insurance coverage for our qualified full-time employees. Coverage normally begins after your probationary period.

The Company currently pays the entire cost of this insurance. You may obtain additional information about the Plan through your supervisor. For specific details concerning eligibility and coverage, please be sure to consult the insurance contract itself.

DISABILITY INSURANCE

The Company provides long and short term Disability Insurance program to qualified employees. This program provides income to you in the event sickness or an accident that prevents you from working. This program does not go into effect until after your probationary period. You may obtain additional information about the program through your supervisor. For specific details concerning eligibility and coverage, please be sure to consult the insurance contract itself.

RETIREMENT SAVINGS PLAN

The Company provides a 401(k) retirement savings plan and Profit Sharing Program for all qualified full time employees. The 401 (k) allows you to put pretax dollars into a retirement program and our Profit Sharing Program in which the company contributes to for your retirement.

All eligible employees are provided Summary Plan Description booklets and other materials as required by law. You may obtain additional information regarding the Plan through your supervisor.

EMPLOYEE DISCOUNTS

Depending on availability, discounts are normally available to full-time employees who have completed their probationary period. We reserve the right to change discounts from time to time. The discounts are as follows:

For Personal Use Only20% off store prices & Contractors Prices on
all elseOther5% off everything except Concrete, which is
Less \$1.00 per yard

CIVIC DUTIES

We encourage each of our employees to accept his or her civic responsibilities. As a good corporate citizen, we are pleased to assist you in the performance of your civic duties.

<u>Jury Duty</u>- If you are called to jury duty, please notify your manager immediately and provide a copy of your jury summons so that we can plan the department's work with as little disruption as possible. Employees who are released from jury service before the end of their regularly scheduled shift or who are not asked to serve on a jury panel are expected to call their manager as soon as possible and report to work if requested.

MILITARY LEAVE OF ABSENCE

Employees who are required time off from work to fulfill military duties will be treated in accordance with applicable requirements of state and federal laws. You are expected to notify your manager of upcoming military duty by providing us with a copy of your orders as soon as possible.

BEREAVEMENT LEAVE

Full-time employees who have completed their probationary period are eligible to receive a one-day paid bereavement leave in the event they miss regularly scheduled work days due to death or funeral of a member of the employee's immediate family. Your immediate family includes your spouse, children, stepchildren, parents, brother, sister or spouse's parents.

An employee who is notified of a death in his or her immediate family while at work will be paid for the remainder of the scheduled hours that day. The one-day eligibility for paid bereavement leave will not commence until the next regularly scheduled workday that is lost. All time off in connection with the death of one of the above-listed individuals should be scheduled with your manager. Paid bereavement shall not be considered a day of work for the purpose of calculating weekly overtime.

EMPLOYMENT OF RELATIVES

We will gladly accept and consider employment applications from relatives and close family members of its employees. However, we shall refrain from hiring and transferring relatives into positions where they will directly supervise or be supervised by another close family member. We shall also refrain from placing individuals in positions where they work with or have access to sensitive information regarding a close family member. We believe that this approach will help prevent problems associated with security, supervision, and morale.

WHAT WE EXPECT OF YOU:

COMPANY POLICIES

This section of your Handbook outlines many of our policies and sets forth your responsibilities to the Company, your coworkers and our customers. Please familiarize yourself with these policies. Compliance with them will ensure a more efficient, productive, and pleasant atmosphere for all of us.

Every city, nation, and society has rules for the orderly conduct of business. People cannot live and work together successfully and enjoyably without order. Our Company is the same way. Over the years, we have developed certain policies and rules for the efficient conduct of our business. While we try to keep these rules to a minimum, there are a few basic rules that should not be violated under any circumstances. Violation of any of these rules can result in immediate termination.

THE BASICS

<u>Absenteeism and Tardiness</u>- It is difficult for us to properly serve our customers when an employee does not report to work as scheduled. It also creates an unnecessary and unfair burden on fellow employees. Therefore, we cannot tolerate absenteeism or tardiness.

<u>**Cash Handling</u>**- Any employee whose job includes possession and custody of cash or checks which are intended for payment of materials sold by the Company, is personally responsible for those monies until they are turned over to their supervisor. If payment is received on a COD order the driver should mark the ticket paid in cash or paid check #.</u>

There should be no circumstances were employees other than office staff should receive payment for materials picked up on our yard.

<u>Cellular Phones</u>- It is our policy to forbid the use of cell phones during business hours except for emergencies or for work related activities. Drivers are not to talk on phones except for brief work related communications with our staff.

<u>**Conflict of Interest</u>**- It is our policy to forbid employees to engage in any other business which competes with our Company. We also prohibit employees from engaging in any kind of financial transaction with the Company – directly or indirectly – without full disclosure. If you think that there is a possibility that you may have a conflict in this regard, it is your responsibility to notify your manager.</u>

<u>Courtesy</u>- Courtesy is the responsibility of every employee. We expect everyone to be courteous, polite and friendly both to our customers and to their fellow employees. No one should be disrespectful to a customer, use profanity or foul language or engage in any activity which injuries the image or reputation of our Company.

Damage to Property- We have made a tremendous investment in our facilities and equipment in order to better serve our customers and to make your job easier. Deliberate or careless damage to the Company's property will not be tolerated. Any damage that occurs to any company property and/or anyone else's property must be reported to your supervisor immediately.

<u>Company Property and Tools</u>- Company property and tools may not be removed from our premises, without permission from that department's supervisor.

Fighting, Threats, and Weapons- To protect all of our employees, we prohibit fighting and threatening words or conducts. Such activity can result in termination as well as criminal prosecution. We also prohibit the possession of weapons of any kind on Company premises, including in vehicles on Company property.

Fraud, Dishonesty and False Statements- Falsification of any application, medical history record, invoice, work order, warranty claim, time record, or any other document is <u>strictly</u> prohibited. No employee may sign the name of a customer to any document. If you observe any such violations, please report them to an officer of the Company immediately.

<u>Harassment</u>- We strictly prohibit all forms of harassment of our employees and customers. Please review the No Harassment policy in this Handbook.

Inspection of Property- In order to protect you, your coworkers, our customers and the Company, we reserve the right to inspect all lockers, desks, toolboxes, purses, briefcases, computers, vehicles and any other personal property, which is brought onto Company property.

<u>Insubordination</u>- We expect every employee to follow the instructions of supervisors and other management officials. We also expect employees to cooperate fully with any internal investigation.

<u>Misuse of Property</u>- Our policy prohibits the misuse or use without authorization of the equipment, vehicles or other property of this Company, our customers, vendors, or other employees.

<u>Personal Conduct</u>- We expect every employee to conduct him or herself in a manner which will reflect favorably on the employee and the Company. This rule applies whether the employee is on or off the job. Rude, unprofessional or offensive conduct toward customers or coworkers damages our Company's reputation and therefore can be grounds for termination.

<u>Poor Performance</u>- Every employee is expected to make every effort to learn his or her job and to perform that job at a satisfactory level. Any employee who fails to maintain a satisfactory level of performance is subject to termination.

<u>Safety</u>- We are committed to providing a safe place for you to work, and we have established a safety program to ensure that everyone understands the importance of safety. This program requires each of us to exercise good judgment and common sense in our day-to-day work. It is your responsibility to be familiar with the safety rules in your department. Horseplay and practical jokes can cause accidents and injuries and therefore are not permitted.

<u>Solicitation/Distribution</u>- Solicitation by an employee of another employee during the working time of either employee for any reason is strictly prohibited. Distribution of advertising materials, handbills or other literature is prohibited in all working areas at all times. Solicitation and distribution by non-employees is prohibited on Company premises at all times.

<u>Substance Abuse</u>- Substance abuse is not tolerated at our Company. Our Drug and Alcohol Policies, which are set forth in detail in this Handbook, explain our position and policy regarding the use of drugs and alcohol.

<u>Theft</u>- We do not tolerate theft in any form. If we discover you are or have been stealing from the company we will prosecute to the full extent of the law.

Threats and Violence- We cannot tolerate any form of threatening conduct or violence on the part of any employee, customer or vendor, whether it occurs here or away from the Company. If you are threatened or have any concerns about a coworker, customer or vendors, please notify your manager immediately.

Unlawful Activity- No employee may engage in any unlawful activity either on or off the job as this can adversely affect the Company's reputation.

Violation of any of these rules may lead to discipline, up to and including immediate discharge. Obviously, this list is not all-inclusive and there may be other circumstances for which employees may be disciplined, up to and including immediate discharge. If you have any questions about these basics or what we expect of you as one of our employees, please discuss them with your manager.

ABSENTEEISM AND TARDINESS

Each of our employees plays an important role in getting the day's work done. Absenteeism or tardiness, even for good reasons, is disruptive to our operations and interferes with our ability to satisfy our customer's needs. Therefore, every employee is expected to be at work on time each day. Excessive absenteeism or tardiness can result in discipline, up to and including discharge.

If you are going to be late or absent from work for any reason, you must personally notify your manager as far in advance as possible so that proper arrangements can be made to handle your work during your absence. Of course, some situations may arise in which prior notice cannot be given. In those cases, we expect you to notify your manager as soon as possible. You must <u>personally</u> contact your manager <u>each day</u> you are going to be late or absent.

When absence is due to illness, the Company reserves the right to require appropriate medical documentation.

CHANGES IN PERSONEL RECORDS

To keep your personnel records up to date, to ensure that the Company has the ability to contact you, and to ensure that the appropriate benefits are available to you, we ask that you notify your supervisor promptly of any change of name, address, phone number, marital status, number of dependents, or other applicable information.

COMPANY COMPUTERS, E-MAIL, AND VOICE MAIL

Company computers and telephone systems are intended for Company business only. All information on Company computers is the sole and exclusive property of the Company and should be treated as confidential. Such information may not be disclosed to any person outside the Company or removed from our premises without the express permission of an officer of the company.

Because of the nature of this data, we reserve the right to access all information on Company computers, even where personal passwords have been assigned. Therefore, employees should not put personal data or other information on these computers. We also reserve the right to access E-mail and voice mail systems, even where personal passwords have been assigned. Again, employees should not use either the Email system or the voice mail system for personal messages. Placing inappropriate, offensive, off-color or sexual or racial messages on our systems is a violation of our no harassment policy and can result in termination.

DRUG AND ALCOHOL POLICY

The Company is committed to providing a safe work environment and to fostering the well being of its employees. That commitment is jeopardized when any employee uses drugs or alcohol on the job, comes to work under the influence or possesses, distributes or sells drugs or alcohol in the workplace. Therefore, the Company established the following policy.

- It is a violation of company policy for any employee to possess, sell, trade, or offer for sale drugs of abuse, or to otherwise engage in the illegal use of drugs on the job. It is also a violation of company policy to use or possess alcohol on the job.
- It is a violation of company policy for anyone to report to work under the influence of drugs or alcohol
- It is a violation of company policy for anyone to use prescription drugs illegally. Nothing in this policy precludes the <u>appropriate</u> use of legally prescribed medications. However, if an employee is taking a prescription medicine that may affect his ability to safely perform his job function, this policy requires that he report this fact to his supervisor.

All job applicants will undergo testing for the presence on illegal drugs as a condition of employment. Any applicant with a confirmed positive test result will be denied employment. Applicants who are denied employment on the basis of a positive drug test may reapply after a period of no less than six months.

All job applicants and employees with confirmed positive test results will be provided with a copy of the test results and, at their own expense, request independent testing in accordance with the procedures set forth in Section 17-21 (d) of the <u>Health-General</u> Article of the Annotated Code of Maryland.

In order to protect the safety and property of all employees, we reserve the right to inspect employees' lockers, toolboxes, desks and cabinets as well as motor vehicles and any other personal belongings brought onto Company property. Failure to cooperate with such inspections is a violation of this policy.

The company has adopted a testing program to deter and detect employees who use illegal drugs either on or off the job. All employees are required to submit to drug and /or alcohol testing under the following circumstances.

- When there is reasonable suspicion to believe that an employee is using illegal drugs or is under the influence of drugs or alcohol on the job.
- When there is reasonable suspicion that two or more employees of a particular department have a drug and / or alcohol problems all employees within that department may be subject to testing.
- When employees are involved in on-the-job accidents where personal injury or damage to company property occurs.
- As part of a random testing program.
- Any perspective employee who has a known drug problem who passes his preemployment drug testing may be subject to return to duty testing as explained below.

Additional testing will be required of employees who are considered for return to work after a confirmed positive drug or alcohol test. Employees must pass a return to duty test and then be subject to no less than 6 follow-up tests in the next 12 months. The follow up tests will be unannounced. Return to duty and follow-up testing will be paid for by the employee.

Drug Testing procedures and practices will be based on accepted government guidelines and will abide by applicable state laws. Testing laboratories, collection sites and medical review officers will be certified. A certified saliva testing technician, using saliva alcohol testing, will do alcohol testing. If a positive saliva test is confirmed we will retest you on a government approved alcohol-testing device. Cut off levels for positive drug testing will be those set by the government. A positive alcohol test will be any level greater than 0.02.

Employees with confirmed positive test results or who otherwise violate this policy are subject to disciplinary action up to and including dismissal. Refusals to test will be treated as a violation of this policy. The goal of this policy is to balance our respect for individuals with the need to maintain a safe, productive and drug free environment. The intent of this policy is to send a clear message that the use of illegal drugs is incompatible with employment at the Company.

In addition to the above policy all truck are also subject to an additional D.O.T. mandated drug policy, which is not included with this policy. Drivers will receive this additional policy when the complete all there D.O.T. paperwork.

EXIT INTERVIEW

Any employee leaving the Company is required to attend an exit interview conducted by the employee's manager. The purpose of the interview is to determine the reasons for leaving and to resolve any questions of compensation, insurance continuation, return of Company property, or other matters related to leaving.

NO HARASSMENT POLICY

We do not tolerate harassment of any of our employees, applicants, or customers. Any form of harassment related to an individual's race, color, sex/gender, religion, national origin, marital status, citizenship status, age or disability is a violation of this policy and will be treated as a disciplinary matter. For these purposes, the term "harassment" includes"

- Unwelcome sexual advances and requests for sexual favors
- Threatening reprisals for an employee's refusal to respond to requests for sexual favors
- Offensive physical conduct including touching
- Display of offensive pictures, drawings, or photographs
- Offensive remarks, comments, jokes, or slurs pertaining to an individual's race, sex/gender, religion, age, disability, etc.

If you have any questions about what constitutes harassing behavior or what conduct is prohibited by this policy, ask your manager.

VIOLATION OF THIS POLICY WILL SUBJECT AN EMPLOYEE TO DISCIPLINARY ACTION, UP TO AND INCLUDING IMMEDIATE DISCHARGE.

You should also be aware that our supervisors and managers are also covered by this policy and are prohibited from engaging in any form of harassing conduct. Further, no supervisor or other member of management has the authority to suggest to any employee or applicant that that individual's employment, continued employment or future advancement will be affected in any way by the individual's entering into (or refusing to enter into) any form of personal relationship with the manager or member of management.

Harassment of our employees in connection with their work by non-employees is also a violation of this policy. Any employee who experiences or observes any harassment of an employee by a non-employee should report such harassment to his or her manager as soon as possible. Appropriate action will be taken.

If you feel that you are being harassed by another employee or by anyone else, you should notify your manager immediately. If the problem involves your manager or if

you do not feel that the matter can be discussed with your manager, you should contact an officer of the Company and arrange for a meeting to discuss your complaint as soon as possible. You may be assured that your complaint will be kept as confidential as possible and you will not be penalized in any way for reporting a harassment problem.

We cannot help resolve a harassment problem unless we know about it. Therefore, it is your responsibility to bring any such problems to our attention so that we can take whatever steps are necessary to correct the problem.

IF YOU HAVE A PROBLEM

If there is something about your job that is bothering you, let's get it out in the open and discuss it. We cannot answer your questions or solve your problems unless you tell us what it is we can do.

Our "Problem Solving Procedure" offer all employees the freedom to discuss anything they wish with their managers. If you have a problem, it can usually be resolved by following these steps:

- 1. Any concern should first be discussed with your supervisor. Very often, supervisor is in the best position to handle your problem satisfactorily.
- 2. If your supervisor cannot solve the problem or if you are not satisfied after Step 1, you should request to speak to your Department Manager.
- 3. If you still feel the need to speak to other members of management after you have spoken with your supervisor and your Department Manager, we encourage you to speak to an officer of the Company.

When you inform us of your concern or problem, we will try to answer your concern or solve your problem as soon as possible under the circumstances.

DISPUTE RESOLUTION PROCEDURE

Over the years, we have come to realize that resolving employment disputes through the court system can take years and drain employees both emotionally and financially. We also know that most problems which arise in the workplace can be resolved if the parties involved will simply discuss them openly and honestly. Therefore, we have adopted a formal dispute resolution procedure, which is designed to help resolve problems in the early stages.

Under our policy, employees are encouraged to first discuss their problem with their immediate supervisor. If the problem cannot be resolved to your satisfaction at that level, you are encouraged to request a meeting with an officer of the Company. If you are still dissatisfied with the decision, you have the right to demand binding arbitration of <u>Any</u> legal dispute between you and the Company which could be brought in court, including claims regarding wrongful discharge, employment discrimination, harassment, or any other dispute relating to your employment or arising under any labor, employment, or civil rights law.

Arbitrations are conducted in accordance with the Federal Arbitration Act and the Company's arbitration rules. These rules provide that you may help to select the arbitrator who will hear your case from a list of qualified arbitrators. The arbitration proceedings are similar to court proceedings, with the arbitrator acting as the judge. If the arbitrator finds that your claim is valid, the arbitrator has the authority to award you everything a judge or a jury might award you. The arbitrator also has the authority to require the parties to comply with his award. An award by an arbitrator is usually issued within months, where a court decision often takes years.

All current employees are also required to resolve their disputes in this manner rather than through the court system.

HAZARDOUS AND TOXIC MATERIALS

If your job requires that you use hazardous or toxic materials, you are expected to comply with federal, state, and local laws and regulations concerning their safe handling and disposal. Please be sure to familiarize yourself with proper handling and safety procedures. If you have any questions, please discuss them with you manager.

HOUSEKEEPING

It's everyone's responsibility to help keep our facilities looking their best. Please keep your work areas as clean as your work permits. Please use the break room and be sure to clean up after yourself.

LAYOFF

Business or weather conditions may force periodic curtailment of operations, making layoffs necessary. In the event of a layoff, first consideration for retaining employees will be given to those who have best displayed the ability and desire to perform the work available. In case of equal ability and desire, length of service with the company will be considered. Consideration for recall will be based on same criteria. Employees laid off due to lack of work may be eligible to apply for unemployment compensation benefits.

LOANS AND PAY ADVANCES

During our years in business, we have learned that loans to employees or advances in pay do little in the long run to help an employee meet his or her financial obligations. At the same time, we would be put in a very difficult and unpleasant position if we were required to collect a past due loan. For these reasons, it is our policy to make loans or pay advances to employees in emergency situations only.

NOTICE OF RESIGNATION

In the event you choose to resign from your position, we ask that you give us at least two weeks notice. We require you to take care of all your outstanding accounts with the Company and return all Company property and all uniforms prior to picking up your final paycheck. All benefits end on the last day of employment. Health Insurance continuation is available through COBRA. We will go over all this with you before you receive your final check.

OPERATION OF COMPANY VEHICLES

Only authorized employees may operate Company vehicles. Any employee operating a vehicle must have a valid driver's license appropriate for the vehicle that he or she is operating. Any employee whose job duties include the operation of vehicles who is cited for D.U.I. or D.W.I. or for any other moving violation is required to report that fact to his or her manager immediately. You are also required to notify your manager immediately if your license is suspended or revoked for any reason. Receipt of a citation or violation of this policy may result in discipline, up to and including discharge.

Employees are required to wear seat belts and comply with all traffic regulations any time they are operating a Company vehicle.

If a vehicle incurs any damage while under the charge of a particular employee, that employee will be responsible for reporting the damage immediately and may be responsible for paying the deductible amount toward repair. If an employee receives a traffic citation while operating a Company vehicle, the employee will be responsible for paying any fine or penalty.

Personal use of company vehicles should be kept to a minimum. Vehicles should not be used beyond 30 miles of your operating area. Vehicles are for the use of the authorized employee only.

ON THE JOB INJURIES

Workers Compensation Insurance covers employees who are injured on the job. The Company pays the entire premium for this insurance. In order to be eligible for this insurance, an employee who is injured at work must report the injury to his or her manager or supervisor as soon as possible and make a written report concerning the accident. Failure to promptly report an injury can result in your being denied coverage. Therefore, we require that employees <u>immediately report all accidents</u>, no matter how minor to their manager.

An employee that is off work due to a work related injury is required to return to work as soon as he/she may perform meaningful, productive work within their physical capabilities. It is a mandatory program to be maintained for a limited time as a temporary alternative to full duty. Failure by an employee to report to duty when indicated as physically capable by an attending physician is cause for potential loss of worker's compensation benefits. All partial/light and/or restricted duties will be scheduled based upon the needs of the company. Compensation will be at the employee's regular rate of pay and the employee will continue to accrue seniority and vacation time according to hours worked.

Modified Return to Work program is designed only as a temporary work-e.g. part of the rehabilitation program. It may be a completely different job or the same job, but modified to adhere to physical and mental medical restriction prescribed by medical team. Employees are expected to return to their regular full time job once their medical restrictions are lifted. Return to Work opportunities are not guarantees to every workerthey are based on skills, knowledge and physical limitations of injured worker and the work opportunities available at any point of time. Under unusual conditions, based on any permanent medical restrictions, the returning employee my be offered a different job for the company, but will be based on case by case basis and determined on skill set, knowledge and medical situation of the returning worker and the company availability of any such job.

If you have any questions about Workers Compensation, please contact a company officer.

OUTSIDE EMPLOYMENT

There have been times when many of us have had the opportunity or the need to have two jobs at one time. If you do choose to work two jobs, it is important that other employment and outside interests do not interfere in any way with your job at this Company. If you do hold a second job, we expect that you will be careful that extra hours of work do not affect your performance here. Please keep in mind that your hours must remain flexible due to early start times and late hours here. We also expect that no outside business will be conducted while you are here at work. If your second job could create a potential conflict of interest, we expect you to discuss the matter with a company officer.

PERSONAL APPEARANCE AND GROOMING

We do not have a formal dress policy and prefer to rely on every employee's good judgment to dress appropriately for your position. We do expect all employees to present a well-groomed, business-like appearance at all times. If you wear a Company uniform, please be sure that it is kept clean and neat, with shirt tails tucked in at all times. All production and delivery employees are required to wear long pants, work boots and a shirt at all times.

Any employee who fails to meet our standards will be sent home and may be subject to further discipline. Therefore, if you have any questions as to what is expected of you in terms of dress or appearance, please discuss them with your manager.

PERSONAL MAIL

All mail, which is delivered to the Company, is presumed to be related to our business. Mail sent to an individual at the Company will be opened by office personal and routed to the appropriate department. If you do not wish to have your correspondence handled in this manner, please have it delivered to your home.

PERSONAL TELEPHONE CALLS AND VISITS

We have a limited number of telephone lines, and it is essential that we keep those lines open for customer calls. Therefore, we ask our employees to refrain from making or receiving personal calls, except of course in emergencies.

Employees may not make personal long distance calls charged to this Company without the permission of his or her manager. Permission will normally be given only in emergency situations. The employee making the call will be expected to reimburse the Company for the call.

Visits by friends or relatives can be disruptive to our operations. Therefore, we strongly discourage such visits during work hours.

SAFETY

It is our policy to promote safety on the job. The health and well-being of our employees is foremost among our concerns. For this reason, you are expected to learn the safety rules for your department and to follow common sense safety practices. Employees are also responsible for reporting any unsafe condition, defective tool, or equipment to your manager, and to assist us in maintaining safe work place. Safety is a state of mind and requires constant vigilance and common sense. Safety is everyone's responsibility. Remember: SAFETY FIRST.

SECURITY

Every employee is responsible for helping us to protect the property of their coworkers, our customers and this Company. Be sure that all vehicles, equipment, desks and gates are locked when not in use and especially at the end of the day. All tools and keys must be properly secured and accounted for at all times. If you see something or someone who looks suspicious, check into it or notify your manager immediately.

TIMEKEEPING PROCEDURES

Unless otherwise notified, each employee is required by Federal law and by this Company to keep an accurate record of his or her hours worked each day and each week. Your manager will advise you how you are to record your time, either on an electronic time clock or time card. We expect you to record <u>all</u> time that you work for the Company. Employees are required to clock in and out at any time you leave the Company premises. Under no circumstances may any employee clock in or out another employee. If you work through lunch please inform your supervisor. When an employee works through lunch we deduct 15 minutes to quickly eat or stop and get something.

Employees are paid on assigned starting time. When you are asked to start early you are paid from the time you are asked to start work. If you clock in early from your assigned time you will be paid from your assigned time not the time you clocked in.

WORK SCHEDULE AND OVERTIME

Your work schedule will vary, depending upon your department and duties. You are expected to work at least a full shift and you should be prepared to work overtime at all times. If you are unable to work the hours required of you on a given day, it will be necessary for you to advise your supervisor in advance. Any employee who leaves the job prior to stopping time, without permission, may be subject to disciplinary action and/or discharge.

You will be expected to be available to work on Saturdays. If you are unable to work on a given Saturday please notify your manager or dispatcher by the prior Wednesday.

In accordance with federal law, overtime pay is paid only when an employee actually works more than forty (40) hours in a week. Vacation, holiday pay, bereavement leave and sick pay are not considered compensation for hours worked.

TO SUM IT ALL UP

This Handbook highlights your opportunities and responsibilities at the company. By always keeping the contents of the Handbook in mind, you should be successful and happy working with us. Once again, welcome to our Company, and we look forward to working with you.

ACKNOWLEDGEMENT OF RECEIPT OF EMPLOYEE HANDBOOK

I acknowledge that I have received the Gillespie & Son, Inc., Gillespie Precast LLC., and Delmarva Castings & Supply, LLC. Employee Handbook. I understand that the Handbook contains current policies and benefits of the Company and that the Company reserves the right to add, delete, or modify these policies as it deems appropriate. I will familiarize myself with its contents.

I understand that my employment is for an indefinite period of time and is terminable "at will." This means that I may terminate my employment at any time, with or without cause, and the Company has the same right. I understand that my "at will" status may not be changed except in writing signed by the Company President.

AGREEMENT TO ARBITRATE

In consideration of the Company's agreement to arbitrate legal disputes, I agree that any dispute of a legal nature arising under federal, state, or local law between me and the Company, including any such claim regarding Company property, discrimination, harassment, or any other legal dispute relating to my employment or arising under any labor, employment, or civil rights law, will be subject to final and binding arbitration in accordance with the terms of the Company's Arbitration Policy and Arbitration Rules. I understand that the arbitrator, who will serve as the judge and jury, has the same authority to award money damages and other relief as does a court or jury. I also understand that, while the Employee Handbook is otherwise subject to change at the Company's discretion, this Agreement to Arbitrate and the Company's Dispute Resolution policy will be binding and irrevocable for the Company and me as written, with respect to any claim arising while this Agreement is in effect.

DATE_____

EMPLOYEE SIGNATURE

NAME (PLEASE PRINT)

AGREED: _____

For Gillespie & Son, Inc. and/or Gillespie Precast LLC. and/or Delmarva Castings & Supply, LLC.