

3.6 Disciplinary Procedure

3.6.1 Purpose

The purpose of this procedure is to provide a guideline that requires all employees and contractors to meet standards of performance which have been established for the job, and to outline appropriate action to be administered for the failure to meet these.

3.6.2 Policy Statement

All employees and contractors are expected to meet all performance and conduct requirements of the job or be subject to appropriate disciplinary action up to and including the separation of employment.

3.6.3 Responsibility

The administration of this policy is the responsibility of the Safety Coordinator, Project Managers, and each Supervisor. Management will conduct audits and evaluations to ensure that the program administrators are enforcing the rules and regulations. Personnel who do not ensure that employees under their supervision follow the published rules and regulations will be given a low evaluation for the lack of commitment to the companies policies, continued failure, and the low evaluations could lead to termination.

3.6.4 Establishment of Rules and Regulations

3.6.4a The company may adopt rules and establish a procedure for discipline and discharge with respect thereto.

3.6.4b These rules may be published and distributed separately from this procedure. Such rules shall be reasonable and administered in accordance to the following guidelines.

3.6.4c No employee shall be disciplined or discharged without just cause.

3.6.4d Failure of Amsys Energy to enforce any of these rules in any instance shall not be considered a waiver of obligation set forth herein but every effort shall be made to apply said rules uniformly.

3.6.4e Amsys Energy has the right to make changes in it's safety and work rules, as it deems necessary from time to time.

3.6.4f Probationary Employment

All employees hired are on ninety-(90) day's probation, during which time their performance and suitability for the job shall be carefully appraised by their supervisor.

During this probationary period employees are subject to layoff or termination for any reason, the employees released during this period have no recourse. Progressive discipline is not utilized for probationary employees.

3.7 Disciplinary Procedure

The following steps should be followed for non-probationary employees.

3.7.1 Verbal Reminder – If, after informal discussion and/or further training, an employee's performance or conduct does not meet the requirements of the job, he or she will receive a verbal warning from management. The employee will be given an opportunity to correct the problem and will be told that failure to do so will result in further disciplinary action. This conversation will be documented and will be placed in the employee's file for future reference.

3.7.2 Written Warning- If the employee does not correct the unsatisfactory performance or conduct within a reasonable period of time after receiving the verbal warning, the employee may receive a written warning. This will be in the form of a formal letter addressed to the employee. A copy of this letter will go in the employee's personnel file.

3.7.3 Suspension – Suspension on an employee (i.e., the temporary removal of an employee from work) may be used in the following case:

To provide time to investigate circumstances that indicate the employee is subject to discharge, such as an accident, or suspected dishonesty. An employee who is suspended under these circumstances will be paid full pay for the time lost if in the sole discretion of the company, the investigation reveals no violation(s) of performance standards has occurred.

The employee will not be paid for lost time if he/she is terminated as a result of the

investigation; nor will the employee be paid if in the sole discretion of the company, the investigation reveals that the suspension itself was the appropriate action to be taken.

3.7.4 Discharge – An employee may be discharged as a result of. 1) the investigation following the suspension; 2) unsatisfactory performance after a written warning is issued and there is no improvement; 3) as called for per other policies; or 4) some conduct may be sufficiently serious to warrant termination without prior oral or written warnings.

All contacts of discipline will remain for twelve (12) months from the date of the offense leading to the discipline. If the employee works the twelve- (12) month period without another violation of performance, or conduct, the employee will revert to the next lower phase in the disciplinary procedure.

All suspensions that result in discharge must be appropriately documented by the attending supervisor, and reviewed by the President. In the event of a suspension and/or discharge, the affected employee is to vacate the company premises immediately with the instructions that a member of management may be in contact with him or her after the commencement of the investigation, if any.

A second management witness must always accompany the attending supervisor during a suspension and/or discharge with an employee.

3.7.5 Published Rules

A. Although Amsys Energy may impose a lesser penalty (e.g. suspension and/or demotion), the following shall be just cause for immediate discharge:

3.7.5.1 Reporting for work under the influence of inhalants, intoxicating beverages, narcotics or controlled substances.

3.7.5.2 Possession or use of inhalants, narcotics or controlled substances on company or clients premises.

3.7.5.3 Intentional destruction, abuse, removal or attempted removal of company, client's or other employee's property or materials.

- 3.7.5.4** Physical violence, fighting, or creating a disturbance on the employer's or client's premises.
- 3.7.5.5** Immoral or indecent conduct on company or client's premises.
- 3.7.5.6** Making false or misleading statements when making application for employment.
- 3.7.5.7** Refusing to give testimony or making false or misleading statements when accidents or incidents involving health and safety matters are being investigated.
- 3.7.5.8** Refusing to give testimony or making false or misleading statements concerning employee's actions or the actions of other employees while on company premises.
- 3.7.5.9** Falsifying company records.
- 3.7.5.10** Insubordination, including refusal to perform work duly assigned.
- 3.7.5.11** Threatening, coercing or abusing fellow employees, any attempt to retard work of fellow employees or physically interfering with them on the company or client's premises.
- 3.7.5.12** Misuse or removal from the company's premises of employee lists, employer records, blue prints, formulas or confidential information of any kind, without the company's authorization.
- 3.7.5.13** Smoking in unauthorized areas.
- 3.7.5.14** Sleeping on the job.
- 3.7.5.15** Neglect of duty, resulting or potentially resulting in substantial loss to the company.
- 3.7.5.16** Any unsafe act.
- 3.7.5.17** Any other just cause.

B. Violations, or the offenses, listed below shall be cause for discipline which may lead to discharge, but the offending employee shall be subject to a reprimand for a first offense, a layoff of up to ten (10) days and/or probation for a second offense and additional discipline, up to and including discharge, for a third offense within any twelve (12) month period, involving any of the following:

- 3.7.5.18** Reporting back to work late or stopping work early (lunch hour, rest periods included) abuse of break periods or leaving assigned job before quitting time.
- 3.7.5.19** Failure to immediately report accidents or personal injury to the proper authority.
- 3.7.5.20** Acts of disrespect toward supervisors or fellow employees.
- 3.7.5.21** Work of a personal nature, loitering, visiting other job sites without authorization or other time wasted during working hours.

3.7.5.22 Engaging in horseplay.

3.7.5.23 Willfully creating or contributing to unsanitary or dirty conditions.

3.7.5.24 Failure to notify company management (supervisor or manager) or expected absence or lateness.

3.7.5.25 Excessive absenteeism, whether involving sick leave benefits or not.

3.7.5.26 Failure to comply with attendance policies.

3.7.5.27 Unauthorized distribution of literature (written or printed) on the employer's premises or posting or removing of notices, signs, or writing in any form on bulletin boards, or other property of the employer.

3.7.5.28 Unauthorized operation or use of any machines, tools, equipment or other property of the employer.

3.7.5.29 Failure to comply with health and safety policies and procedures, including failure to use protective equipment as called for in the health and safety regulations.

3.7.5.30 Any other act of dishonesty, misconduct or neglect not listed above.

3.7.5.31 Any other just cause.

Failure of the employer to enforce any of the provisions of these rules in any one or more instances shall not be considered a waiver of any of the provisions of these rules