

**JAVIS AUTOMATION & ENGINEERING,  
INC.**

**PROFESSIONAL COMPENSATION PLAN (PCP)**

**JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

<b>COMPENSATION &amp; PERFORMANCE.....</b>	<b>4</b>
WAGE & SALARY POLICIES .....	4
APPLICATION .....	4
BASIS FOR DETERMINING PAY .....	4
JOB SCOPE .....	4
<i>External Comparability</i> .....	5
INDIVIDUAL PAY .....	5
PERFORMANCE & COMPENSATION REVIEWS .....	5
<i>Performance Reviews</i> .....	5
<i>The conditions under which employees work</i> .....	6
<i>Compensation Reviews</i> .....	6
BENEFITS .....	6
<i>The Benefits Package</i> .....	6
<i>Eligibility for Benefits</i> .....	7
<i>Paid Leaves of Absence</i> .....	7
<i>Holidays</i> .....	7
<i>Recognized Holidays</i> .....	7
<i>Holiday Policies</i> .....	7
<i>Vacations</i> .....	8
Amount of Vacation.....	8
Vacation Policies .....	8
Accumulation Rights .....	9
Payment in Lieu of Vacation .....	9
OTHER PAID LEAVES .....	10
<i>Funeral (Bereavement) Leave</i> .....	10
<i>Jury Duty</i> .....	10
<i>Sick Leave</i> .....	10
<i>Unpaid Leaves of Absence</i> .....	11
<i>Family/Medical Leave of Absence</i> .....	12
<i>Disabled leave (including pregnancy)</i> .....	13
<i>Voting Leave</i> .....	14
<i>Military Leave of Absence</i> .....	14
Military Reserves or National Guard Leave of Absence .....	15
<i>Personal Leave of Absence</i> .....	15
INSURANCE PREMIUM PAYMENT DURING LEAVES OF ABSENCE.....	15
INSURANCE COVERAGE.....	15
<i>Group Insurance</i> .....	15
<i>Disability Insurance</i> .....	16
<i>Health/Dental Insurance</i> .....	16
<i>Life Insurance</i> .....	17
GOVERNMENT REQUIRED COVERAGE.....	17
<i>Workers' Compensation</i> .....	17
RETIREMENT .....	17
<i>Retirement Plan</i> .....	17
OTHER BENEFITS .....	18

**JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

<i>Annual Party or Outing</i> .....	18
<i>Education Assistance</i> .....	18
Education/Training (Attending Seminars/Training Sessions) .....	19
<i>Bonuses</i> .....	19
<i>Employee Referral/Recruitment Bonus</i> .....	19
<i>Expense Reimbursement</i> .....	20
LABOR UNIONS .....	20
PARKING LOT .....	20
PROMOTION POLICY .....	21

## **Compensation & Performance**

### **The proposal shall include a total compensation plan.**

JAVIS Automation & Engineering, Inc.' professional compensation plan includes all employees of JAVIS all proposed labor categories, including those personnel subject to union agreements, the Service Contract Act, and those exempt from both of the above. Our total compensation plan include the salaries/wages, fringe benefits and leave programs proposed are consistent for all categories of labor. Benefits are the same for all employees to include professional employees.

### ***Wage & Salary Policies***

It is JAVIS Automation & Engineering Inc.'s desire to pay wages and salaries that are competitive with other employers in the marketplace in a way that will be motivational, fair and equitable, variable with individual and company performance and in compliance with all applicable statutory requirements.

Employees are employed by JAVIS Automation & Engineering Inc. and will be carried directly on our payroll. No person may be paid directly out of petty cash or any other such fund for work performed. The only exception to this policy is where a contract relationship exists with a bona fide contractor.

### ***Application***

JAVIS Automation & Engineering Inc. applies the same principles of fairness and external comparability to all employees, regardless of organizational level, sex, religion, national origin, age or race.

### ***Basis for Determining Pay***

Employees **pay** is influenced **by** three factors:

1. The nature and scope of the job
2. What other employers pay their employees for comparable jobs
3. Individual performance

### ***Job Scope***

Through a process called job evaluation, the scope, responsibility, impact and required skills and abilities of each job at JAVIS Automation & Engineering Inc. are compared. The result is a

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

relative ranking of all jobs, from high to low. Job evaluation is independent of any employee or his performance.

### **External Comparability**

Once jobs are ranked, jobs are compared with external market data. Each job is assigned a range of pay, including a minimum and a maximum. Periodically JAVIS Automation & Engineering Inc. will examine the market conditions to ensure ongoing comparability. Changes in pay ranges will be made as needed and as the company can afford, to maintain market comparability.

### ***Individual Pay***

An individual's pay within this range will depend on his sustained performance over time. Each year every employee will have a performance review with his manager or supervisor. During that review, significant performance events that occurred throughout the year will be discussed.

The overall performance rating will influence the wage/salary adjustment. Through individual performance and by increasing job responsibilities and moving to higher level jobs, employees have significant impact on employee's pay.

## ***Performance & Compensation Reviews***

### **Performance Reviews**

Employee's manager is continuously evaluating employees job performance. Day-to-day interaction between employees and employees manager should give employees a sense of how employees manager perceives employees performance.

However, to avoid haphazard or incomplete evaluations, JAVIS Automation & Engineering Inc. conducts a formal review [once, twice, four times] a year for each employee.

Performance reviews will be conducted annually on or about each employee's anniversary date. New employees may be reviewed more frequently. A review may also be conducted in the event of a promotion or change in duties and responsibilities.

During formal performance reviews, employee's manager will consider the following things, among others:

- Attendance, initiative and effort
- Knowledge of employees work
- Attitude and willingness
- The quality and quantity of employees work

### **The conditions under which employees work**

The primary reason for performance reviews is to identify employee's strengths and weaknesses in order to reinforce employee's good habits and develop ways to improve in employee's weaker areas. This review also serves to make employees aware of and to document how employees job performance compares to the goals and description of employee's job. This is a good time to discuss employee's interests and future goals. Employees manager is interested in helping employees to progress and grow in order to achieve personal as well as work-related goals- perhaps he or she can recommend further training or additional opportunities for employees.

In addition to individual job performance reviews, JAVIS Automation & Engineering Inc. periodically conducts a review of job descriptions to ensure that we are fully aware of any changes in the duties and responsibilities of each position, and that such changes are recognized and adequately compensated.

### **Compensation Reviews**

Wage and salary increases are based on merit alone, not length-of-service or the cost- of-living. Having employee's compensation reviewed does not necessarily mean that employees will be given an increase.

JAVIS Automation & Engineering Inc. conducts compensation reviews annually on or about each employee's anniversary date, following their annual performance review. Any wage or salary increases will appear in the pay period ending after the dates they are granted. Wage and salary increases may be retroactive in the case of late reviews, at the discretion of the President.

### ***Benefits***

#### **The Benefits Package**

In addition to receiving an equitable salary and having an equal opportunity for professional development and advancement, employees may be eligible to enjoy other benefits, which will enhance employees job satisfaction. We are certain that employees will agree that the benefits program described in this Manual represents a very large investment by JAVIS Automation & Engineering Inc., and we trust that employees will avoid abusing any of the program's benefits.

A good benefits program is a solid investment in JAVIS Automation & Engineering Inc. and its employees. It not only insures the loyalty of long-time capable employees, it also helps to attract talented newcomers who can help JAVIS Automation & Engineering Inc. grows. JAVIS Automation & Engineering Inc. will periodically review the benefits program and will make modifications as appropriate to the company's condition.

### Eligibility for Benefits

If employees are a full-time employee, employees will enjoy all of the benefits described in this manual as soon as employees meet the eligibility requirements for each particular benefit.

If employees are a part-time employee, employees will enjoy only those benefits which are required by law to be afforded to employees, provided that employees meet the minimum requirements set forth by law and in the benefit plan(s).

No benefits are available to employees during their Introductory Period, except as otherwise provided by law.

**Note:** Temporary employees are not eligible for benefits.

### Paid Leaves of Absence

Time off for any reason during a working day, without making up the time, will count first against employees allotted sick days or personal days, as appropriate, in hourly, quarter day, half day or full day increments. Once employees have used all of employees earned sick or personal days, the time will be counted against employees earned vacation time. Thereafter, unless specifically excepted, any time off will be without pay.

### Holidays

Only full-time employees are eligible for holiday pay. Employees are not eligible to receive holiday pay during their Introductory Period. Nor are employees eligible to receive holiday pay if they are a part-time employee or a temporary employee.

### Recognized Holidays

JAVIS Automation & Engineering Inc recognize the following holidays. As paid holidays:

Martin Luther King	New Years' Day
Christmas Day	President's Day
Independence Day	Thanksgiving Day
Labor Day	Friday following Thanksgiving Day
Memorial Day	Veterans Day

### Holiday Policies

Employees may take time off to observe employee's religious holidays. If available, a full day of unused (sick/personal) leave or a vacation day may be used for this purpose, otherwise the time

**JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

off is without pay. Employees must notify employee's manager at least ten business days in advance.

We schedule all national holidays on the day designated by common business practice.

If a holiday occurs during employees scheduled vacation, employees are permitted to take an extra day of vacation.

In order to qualify for holiday pay, employees must work the scheduled workday immediately before and after the holiday. Only excused absences will be considered exceptions to this policy.

**Vacations**

Vacation is a time for JAVIS employees to rest, relax, and pursue special interests. JAVIS Automation & Engineering Inc. has provided paid vacation as one of the many ways in which we show our appreciation for employee loyalty and continued service. Only regular full-time employees are eligible for paid vacation. Employees are not eligible for **paid** vacation during their Introductory Period. Nor are employees eligible for paid vacation if they are a part-time or temporary employee.

**Amount of Vacation**

Example: 80 hours vacation per year. 12 months = 6.66 hours vacation per month. Full-time employees are eligible to accrue vacation for each calendar month of service from the completion date of their Introductory Period. The vacation accrual rate is based on the length of employment, as follows:

<u>Years of</u>	<u>Monthly Accrual Employment</u>	<u>Rate (in Hours)</u>
Less than five (5)	6.66	
Five (5) but less than ten (10)	10.00	
Ten or More (10)	13.33	
Total Accrual		
Per Year (in Days)	10	
	15	
	20	

When the employee Introductory Period completion date is within the first through the fifteenth of the month, the employee will accrue vacation for that full month. If the employee Introductory Period completion date is within the sixteenth through the end of the month, the employee will start to accrue vacation on the first day of the following month.

**Vacation Policies**

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

Every effort will be made to grant employees vacation at the time employees desire. However, vacations cannot interfere with employees department's operation and therefore must be approved by employee's manager at least one (1) month in advance. If any conflicts arise in requests for vacation time, preference will be given to the employee with the most seniority. Employees may not receive advance vacation pay (for vacation time taken in excess of employee's vacation accrual balance) without written authorization from employee's manager. Such authorization is at the discretion of employee's manager, and must be granted in advance of employee's vacation. Any amount of advanced vacation paid, but not yet earned at the time of termination of employment will be deducted from employee's final paycheck.

All vacation time must be taken in full week increments, unless otherwise authorized in writing. If employees are eligible for three (3) or four (4) weeks of vacation, employees may take only two (2) weeks at one time unless employees receive written approval from employees manager and senior management at least six (6) weeks in advance.

If employees are eligible for three (3) or four (4) weeks of vacation, employees may take employees third or fourth week in single-day increments. Only one (1) week of vacation may be used in single-day increments. Specific dates of vacation in single-day increments must be established by prior arrangement with employee's manager. The request will be granted as long as employee's absence will not seriously affect JAVIS Automation & Engineering Inc.'s operations. Usually, only one employee may be out on a vacation day in a department at any one time.

If employees are on an approved leave of absence for less than thirty (30) days, employees vacation eligibility will not be affected; should the leave extend beyond thirty (30) days, vacation time will not continue to accrue.

If a company-paid holiday falls during employees scheduled vacation period, employees will receive an additional day of vacation or holiday pay, whichever employees prefer.

### **Accumulation Rights**

Vacation time of 1 week or 40 hours may be carried over and accumulated in subsequent calendar years. Only 40 hours can be carried forward per year. Exceptions to this policy may be made in unusual circumstances, each case to be considered separately by management.

### **Payment in Lieu of Vacation**

The purpose of a vacation is to provide JAVIS employees with a time to rest and relax; therefore, no additional wages or salary are paid to employees in lieu of a vacation.

## ***Other Paid Leaves***

### **Funeral (Bereavement) Leave**

Employees are entitled to take up to three (3) workdays with pay to attend the funeral and take care of personal matters related to the death of a member of employees immediate family. (A parent, spouse, spouse's parent, child, spouse's child by a former marriage, brother or sister.) One (1) day of paid funeral leave will be granted in the case of the death of a grandparent, employees spouse's grandparent or sibling, or any member of employees extended family living in employees home. Only regular full-time employees are eligible for paid funeral leave.

With employee's manager's approval, employees may take up to one full day without pay to attend funerals of other relatives and friends. If employees prefer, unused personal leave or a day of earned vacation may be used for this purpose.

Paid time under this policy is given over and above any time allowed and earned under our Personal Leave policy.

Pay for a funeral leave will be made for actual time lost from work. If the death occurs at a time when work is not scheduled, payment will not be made. If a holiday or part of employee's vacation occurs on any of the days of absence, employees may not receive holiday or vacation pay in addition to paid funeral leave.

An excused absence for family death may not be retroactive, postponed or split.

### **Jury Duty**

It is employee's civic duty as a citizen to report for jury duty whenever called. If employees are called for jury duty, we will permit employees to take the necessary time off and we wish to help employees avoid any financial loss because of such service. If employees have completed employees Introductory Period, JAVIS Automation & Engineering Inc. will reimburse employees for the difference between employees jury pay and employees regular pay, not to exceed eight (8) hours per day, for a maximum of ten (10) business days. Employees must notify employee's manager within forty-eight (48) hours of receipt of the jury summons.

On any day or half-day employees are not required to serve, employees will be expected to return to work. In order to receive jury duty pay, employees must present a statement of jury service and pay to employee's manager. The court issues this document.

### **Sick Leave**

## JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)

To qualify for sick leave employees must be a full-time employee and have completed employees Introductory Period. Time taken off before this will be without pay. If employees must be absent from work because of a personal illness, employees will be eligible to receive employees regular straight time pay, eight (8) hours per day, for up to six (6) days per calendar year. Employees may use employee's sick leave in units of no less than two (2) hours at any one time. Please advise employees manager as soon as possible that employees will be absent from work due to illness.

If employees have not been employed for a full year with JAVIS Automation & Engineering Inc., employees will be eligible for paid sick days (upon completion of employees Introductory Period) as follows: (.41) day for each month from the time that employees complete employees Introductory Period through the end of the calendar year. For example, if employees complete employees Introductory Period on May 1, employees will be eligible to use four (4) paid sick days between May 1 and December 31. Thereafter, employees will be eligible for the normal six (5) paid sick days per calendar year. Sick leave may be used for the purpose of visiting doctors, dentists or other practitioners in their offices. This time may also be used for tending to a serious illness suffered by a member of employee's immediate family, in the event the illness requires employees personal time and attention. For purposes of this section, immediate family includes spouse, child, parent, or sibling living in employee's home. If another person can attend to the needs of an ill family member, employees are expected to fulfill employee's duties as an employee of JAVIS Automation & Engineering Inc.

JAVIS Automation & Engineering Inc. may request "proof-of-illness" and may also use a company-appointed physician to examine the employee.

If employees are required to take a disability leave of absence, any accrued sick leave will be paid at the time the leave commences; should the leave extend beyond thirty (30) days sick leave will not continue to accrue.

If employees are on an approved leave of absence for less than thirty (30) days, employees sick leave eligibility will not be affected; should the leave extend beyond thirty (30) calendar days, sick leave time will not continue to accrue.

This sick leave policy does not apply to "non-exempt" employees on our payroll. It also does not apply if sick leave is needed as a result of self-inflicted injury, illegal substance abuse or alcohol abuse, or illness or injury incurred while in the act of committing a felony.

In the event **of** an illness or injury covered by workers' compensation, this sick leave policy will not **apply**, but will defer to state statutes.

Sick days do not accumulate from year to year.

## Unpaid Leaves of Absence

## JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)

Occasionally, for medical, personal, or other reasons, employees may need to be temporarily released from the duties of employee's job with JAVIS Automation & Engineering Inc., but may not wish to submit employee's resignation. Under certain circumstances, employees may be eligible for an unpaid leave of absence.

There are several types of unpaid leaves which employees may be eligible for.

### **Family/Medical Leave of Absence**

In general, a leave of absence is an official authorization to be absent from work without pay for a specified period of time. Eligible employees may be entitled to job-protected family or medical leaves of absence if they are unable to come to work due to pressing family or medical concerns as described under the following Family/Medical Leave Policy, which shall be administered in accordance with applicable State and Federal laws:

- 1) Employees are eligible if they have been actively employed for 12 months, and worked at least 1250 hours (an average of 25 hours per week) during those 12 months Salary continuation during any leave period shall depend upon the employee's qualifying for disability **pay** under our Disability Leave Policy.
- 2) Under the circumstance set forth below, each eligible employee shall have up to a total of 6 weeks leave during any one-year period.
- 3) **A family** leave shall be granted upon the birth or adoption **of a child of the employee**, or upon the serious illness **of the employee's child, spouse, or parent.**
- 4) A medical leave shall be granted upon the employee's own serious illness
- 5) Whenever possible, and subject to employees health care provider's approval, absences for planned medical treatment should be scheduled so as not to unduly disrupt company operations.
- 6) In appropriate circumstances, we may require employees to be examined **by** a company-designated physician, at company expense.
- 7) In the event of a serious illness to the employee or his/her child, spouse, or parent, creating a need for unforeseeable family or medical leave, the employee should provide us with notice, as soon as practicable, of any needed time off, and a written doctor's certificate indicating the expected duration and nature of the illness, particularly as it relates to the employee's ability to come to work or the need for that employee's presence at home to care for a seriously ill family member.
- 8) Employees shall be required to give 30 days advance notice in the event of a foreseeable medical treatment. To assist us in arranging work assignments during employees absence, we ask that employees give us prior notice, to the extent possible, of an expected birth or adoption, as well as an indication, to the extent known, of employees expected return date. To facilitate employees return to work, we also ask that employees provide us with two weeks advance notification of employees intended return date. Failure to do so may delay employees return date.
- 9) For purposes of this policy, a child is defined as a natural, adopted, or foster child, a stepchild or a legal ward. If the child is over 18 he/she must be unable to care for himself/herself due to a serious illness.
- 10) A parent is defined as the employee's or his/her spouse's natural, adoptive, or foster parent, stepparent, or legal guardian.

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

- 11) A serious illness is defined as a disabling physical or mental illness, injury, impairment, or condition involving (1) inpatient care in a hospital, nursing home, or hospice; or (2) outpatient care requiring continuing treatment or supervision from a health care professional.
- 12) Leave of absence rights available to employees under other sections of our policy shall be counted towards the total time off available under this section.
- 13) Upon completion of a leave granted under this section, employees shall be reinstated to employee's original position, or an equivalent one.
- 14) If, due to employees own medical circumstances, employees are no longer able to perform employees original job, we will attempt to transfer employees to alternate suitable work, if available.
- 15) While on a leave of absence provided for under this policy, we will continue employee's group health insurance benefits under the same terms as provided to other employees, for up to a maximum of 12 weeks leave time during any one-year period. If employees leave extends beyond 12 weeks, employees shall be offered the opportunity to purchase continuing coverage under state and federal COBRA continuation rules.
- 16) Other accumulated fringe benefits such as seniority, retirement, service credits, sick pay, vacation pay, etc., shall be preserved at the level earned as of commencement of the leave, but shall not accrue further during any such leave period
- 17) The pay allowances while on disability leave are based on an employee's length of service, as well as the state in which he/she is employed. Disability laws may vary from state to state, and at all times our disability leave policy will be in compliance with the laws of the state in which employees are employed.
- 18) During a period of disability, employees may be eligible for disability pay benefits. Please refer to the applicable plan documents for details on eligibility, benefit amounts, and other particulars.
- 19) Should employees require an extended leave beyond the period of time described in this policy, we will seek to return employees to a suitable position, but cannot guarantee that one will be available. Nevertheless, employees may be eligible for continuing disability pay benefits during this period in accordance with applicable insurance coverage.
- 20) Should employees seek a Leave of Absence for reasons other than described above, we will evaluate such a request based on particular circumstances present at that time, including but not limited to employees current and anticipated work responsibilities, performance, company needs, etc. JAVIS Automation & Engineering Inc. reserves the right to refuse such a request at its sole discretion.

### **Disabled leave (including pregnancy)**

If a salaried exempt employee becomes disabled and unable to work for a prolonged period of time, salary continuation benefits may be available during the leave of absence under our Short Term Disability Plan.

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

This plan is intended to provide, in the case of a non-occupational injury, [x] weeks of salary continuation paid at [x]% of the employee's base salary, beginning on the 8th working day after employees leave begins.

Medical documentation, to the satisfaction of the Company may be required for all periods of time during which short-term Disability benefits are requested. JAVIS Automation & Engineering Inc. reserves the right to require independent medical verification of an associate's inability to work, based on a medical exam by a physician chosen by and paid for by JAVIS Automation & Engineering Inc.

JAVIS Automation & Engineering Inc. classifies pregnancy as any other medically disabling condition, and will provide reasonable leave for all employees for the period of disability as determined by the associate and her physician. When ready to return to work, the employee will be reinstated to her original job or a similar level position providing circumstances have not so changed as to make it impossible or unreasonable to do so. At all times our maternity leave policy will be in compliance with the State and Federal laws.

Should an employee with an excellent work record desire more time after using all vacation time and short term disability leave, allowances may be made at the discretion of JAVIS Automation & Engineering Inc. and on an individual basis. The deciding factor will be the ability of the company to cover, without interruption, the position as described in the employee's job description.

If employees disability, (other than pregnancy), prevents employees from working for longer than six (6) weeks, when employees are ready to return to work we will do our best to reinstate employees to employees position or a similar position, but we cannot guarantee that employees job or any job will be available.

Any questions regarding pregnancy/disability leave, short-term Disability benefits or Leave of Absence Request Forms (required prior to the commencement of the leave) should be directed to the Human Resource Department.

### **Voting Leave**

If it should be necessary, employees may take up to two hours leave from work to vote in a governmental election or referendum. Employees will be expected to notify employee's manager at least one week in advance. Employees will not be paid for such time. Personal leave time, if available, may be used for this purpose.

### **Military Leave of Absence**

Full-time employee that are inducted into the U.S. Armed Forces will be eligible for re-employment after completing military service, provided the employee:

1. Show employee's orders to employees manager as soon as employees receive them.
2. Satisfactorily complete employee's active duty service.

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

3. Enter the military service directly from employment with JAVIS Automation & Engineering Inc.
4. Apply for and are available for re-employment within ninety (90) days after discharge from active duty. If employees are returning from up to six-(6) month's active duty for training, employees must apply within a reasonable time (usually thirty (30) days) after discharge.

### **Military Reserves or National Guard Leave of Absence**

Employees who serve in U. S. military organizations may take the necessary time off to fulfill this obligation, and will retain all of their legal rights for continued employment under existing laws. These employees may apply accrued personal leave and unused earned vacation time to the leave if they wish; however, they are not obliged to do so.

Employees are expected to notify their manager as soon as they are aware of the dates they will be on duty so that arrangements can be made for replacement during this absence

### **Personal Leave of Absence**

In very special circumstances, JAVIS Automation & Engineering Inc. may grant a leave for a personal reason, but never for taking employment elsewhere or going into - business. Employees should request an unpaid personal leave of absence from their manager.

A personal leave of absence must not interfere with the operations of the department or JAVIS Automation & Engineering Inc. Employee managers will submit employee's request to the appropriate member of management for final approval.

A personal leave of absence may be granted for up to thirty (30) days. If employee leave is extended for more than thirty (30) days, vacation and other benefits will no longer continue to accrue. Consult JAVIS Automation & Engineering, Inc.'s group insurance booklet to determine employee insurance coverage during a leave of absence. Failure to return from a leave at the time agreed will result in termination of employment.

### ***Insurance Premium Payment During Leaves of Absence***

JAVIS Automation & Engineering Inc. will continue to pay our share of insurance premiums for employee coverage and dependent coverage for a maximum of twelve (12) months while employees are on a disability leave of absence. While employees are on any other type of unpaid leave of absence from JAVIS Automation & Engineering Inc., employees will be responsible for paying the total premiums for employee's coverage and that of their dependents while on leave. Failure to do so may result in loss of coverage and possible refusal by the insurance carrier to allow employee coverage to be reinstated.

## ***Insurance Coverage***

### **Group Insurance**

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

JAVIS Automation & Engineering Inc. is interested in the health and well being of both employees and employees family. A comprehensive health and life insurance program is available for employees and employees family. We provide group insurance underwritten by a national insurance carrier. After completion of 60 days/employees Introductory Period], employees become eligible for coverage. At that time, employees may choose to accept the insurance coverages, or not.

The following benefits are provided, as defined and limited in the literature provided by our insurance company:

- ◆ Group Term Life Insurance
- ◆ Accidental Death & Dismemberment Insurance
- ◆ Major Medical and Surgical Coverage
- ◆ Dental Care Coverage
- ◆ Vision Care Coverage
- ◆ Medical Health Care Coverage
- ◆ Dependents' Health Care Coverage's

When/if employees choose insurance coverage, our insurance company provides a booklet describing employees benefits; a copy of this will be given to employees when employees join the program.

In the event of employees termination of employment with JAVIS Automation & Engineering Inc. or loss of eligibility to remain covered under our group health insurance program, employees and employees eligible dependents may have the right to continued coverage under our health insurance program for a limited period of time at employees or their own expense. (This does not affect the conversion privilege as stated in the insurance policy.)

### **Disability Insurance**

If employees are a regular full-time employee of JAVIS Automation & Engineering Inc., employees are protected through a short-term disability insurance policy from financial hardship if employees are totally disabled because of illness or accident that is not job related. This coverage includes hospital and medical, surgical, laboratory and x-ray, major medical as defined in the literature provided by the insurance company.

Total disability means that employees cannot perform any position that JAVIS Automation & Engineering Inc. has available, that employees are qualified for and normally able to perform. (Workers' Compensation benefits protect employees if employees are involved in a job-related sickness or accident.)

### **Health/Dental Insurance**

Today's many health insurance plans and options can be confusing and complicated. That is why JAVIS Automation & Engineering Inc. has taken the time to carefully review the coverage's and plans available. We have selected the plan we feel provides the best coverage for our employees.

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

Refer to the literature provided by our insurance company for details on employee's health/dental coverage.

### **Life Insurance**

If employees are a regular full-time employee of JAVIS Automation & Engineering Inc., employees are covered by our Group Life Insurance. This insurance is payable in the event of employees death from any cause, at any time or place, while employees are insured. Payment will be made in a lump sum or in installments to the beneficiary, as designated by employees. Employees may change employee's beneficiary whenever employees wish by submitting the appropriate documents to. Refer to the literature provided by our insurance company for details on employee's life insurance coverage.

### ***Government Required Coverage***

#### **Workers' Compensation**

The Workers' Compensation Law is a no-fault insurance plan, which is supervised by the state, and one hundred percent (100%) paid for by JAVIS Automation & Engineering Inc. This law was designed to provide employees with benefits for any injury which employees may suffer in connection with employee's employment. Under the provisions of the law, if employees are injured while at work, employees are eligible to apply for Workers' Compensation.

### ***Retirement***

#### **Retirement Plan**

JAVIS Automation & Engineering Inc. has an Employees' Retirement Plan to provide eligible employees (who have completed sufficient service) with a monthly pension benefit upon retirement. The Plan includes provisions for normal retirement at age sixty- five (**65**), and early retirement or disability retirement benefits for employees meeting certain qualifications. All regular full-time employees and part-time employees who work at least one thousand (1,000) hours per year are eligible to participate in the Employees' Retirement Plan. Participation in the Plan begins on the first day of the month following employees hire date. If employees are hired on the first day of a month, employee participation in the Plan begins on that day.

The details regarding JAVIS Automation & Engineering Inc. and employee contributions, vesting, administration, investments, etc. are provided in the separate literature for the Employees' Retirement Plan, which was given to employees [along with this Manual/when employees were hired/during employees new employee orientation].

Statement Of Employee Retirement Income Security Act (ERISA) Rights. As a participant in the JAVIS Automation & Engineering Inc. Employees' Retirement Plan, employees are entitled to

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

examine the Plan documents and the annual report and plan description filed with the U.S. Department of Labor. This inspection may be made during normal business hours; ask employee's manager to make arrangements for employees with Operations Department.

### ***Other Benefits***

#### **Annual Party or Outing**

JAVIS Automation & Engineering Inc. sponsors at least one annual get-together. Watch the bulletin board for details.

#### **Education Assistance**

We feel an individual who possesses a desire to continue their education, in addition to performing their full-time job, shows a commitment to improving themselves and their position within the company. To encourage and reward these individuals, JAVIS Automation & Engineering Inc. offers an Education Assistance benefit.

Full-time employees may continue their education in a related field and JAVIS Automation & Engineering Inc. may reimburse all or part of the registration and tuition costs. All courses must be pre-approved by employee's manager. Once the course is completed, submit a certified transcript of grades, with receipts for expenses. JAVIS Automation & Engineering Inc. will reimburse employees as described below for the portion of the registration and tuition that was pre-approved. Incentives have been established to reward better than average performance.

Reminder: If employees are taking a pre-approved seminar that offers continuing education credit, be sure to give employees manager a copy of the Continuing Education Credit Certificate (or other document) to include in employees personnel file.

In order to qualify for this Education Assistance benefit employees must:

1. Advise employee's manager, prior to enrolling for the class, that employees intend to take a particular course. Employee's manager will advise employees whether the course is of a nature that JAVIS Automation & Engineering Inc. will approve for partial or total reimbursement of tuition and fees.
2. The course must be job-oriented and offered by an approved educational institution.
3. The amount of course reimbursement is based on the final grade employees receive for the course, as follows:  
A = 100%
4. Employees must have at least one (1) full year of service with JAVIS Automation & Engineering Inc.
5. If employee's employment with JAVIS Automation & Engineering Inc. terminates for any reason within one (1) year after completing the course, employees must agree to pay JAVIS Automation & Engineering Inc. back.

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

6. If employees are eligible to receive educational benefits from other sources, such as the Veterans Administration,

JAVIS Automation & Engineering Inc. will not reimburse employees educational expenses.

### **Education/Training (Attending Seminars/Training Sessions)**

From time to time, JAVIS Automation & Engineering Inc. may arrange to have both formal and informal training programs to enable employees to progress in employee's technical knowledge of our business. Several times a year, employees are selected to attend factory schools, workshops, or training programs. Employees will receive a normal paycheck while attending these schools or workshops. All or a portion of the expenses for off- premises training will be paid for by JAVIS Automation & Engineering Inc. depending on the nature of the course. Check with employee's manager for details.

Also, during any slow periods of work employees should use the time to learn more about JAVIS Automation & Engineering Inc., its services and products. Employees may progress as employees become more knowledgeable about employee's job and the jobs of the people around employees. Employees are encouraged to ask questions about any aspect of JAVIS Automation & Engineering Inc. that is of interest or unclear.

If employees become aware of a particular seminar that employees believe is appropriate for enhancing employees skills (and/or those of other employees), please bring it to the attention of employee's manager. Since these seminars are usually offered only at specified times in a geographical area, please be sure to notify employee's manager as far in advance as possible. This way, he or she can attempt to schedule workloads to accommodate employees (and/or other employees') desire to attend the seminar.

### **Bonuses**

It has been a practice of JAVIS Automation & Engineering Inc. to distribute annual Christmas merit bonuses when profits permit. Bonuses are determined on the basis of attendance, attitude, cooperation, efficiency, initiative, knowledge, performance, salary and length of service as evaluated by employee's manager. While this is not a "policy" which applies to all, and is not guaranteed or automatic, we will continue this practice so long as possible.

### **Employee Referral/Recruitment Bonus**

Open positions will be posted on our bulletin board. Employees are encouraged to recommend and refer qualified candidates for employment with JAVIS Automation & Engineering Inc. If employees know of someone who would like to work here, we will be glad to consider them for appropriate openings. Notify employee's manager and be sure the individual mentions employees name when contacting JAVIS Automation & Engineering Inc.

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

Should employees candidate be hired by JAVIS Automation & Engineering Inc. to a full-time position, and that person satisfactorily completes six (6) months of employment, employees will receive a \$500.00 (bonus amount) bonus for an exempt position referral or a \$500-00 (bonus amount) for a non-exempt position referral. This bonus entitlement does not apply to individuals who are normally responsible for the recruiting and hiring functions, or to corporate executives.

### **Expense Reimbursement**

Employees must have employees manager's written authorization (requisition/purchase order, etc.) prior to incurring an expense on behalf of JAVIS Automation & Engineering Inc. To be reimbursed for all authorized expenses, employees must submit an expense report/voucher accompanied by receipts and approved by employee's manager. Please submit employees expense report/voucher each week, as employees incur authorized reimbursable expenses. Authorization approval by Manager, prior to using employee's personal vehicle is required.

If employees are asked to conduct company business using employee's personal vehicle, employees will be reimbursed at the rate of .31 per mile. Please submit this expense on employees weekly expense report/voucher.

### **Labor Unions**

Our employees are not represented by a labor union; however JAVIS Automation & Engineering Inc.'s policy is to provide wages and benefits that compare favorably with those at other companies in our region and industry. We also strive to provide the safest and best possible working conditions for employees.

One of JAVIS Automation & Engineering Inc.'s primary goals is to successfully meet its responsibilities to our employee, both as an individual, and as a contributing member of JAVIS Automation & Engineering Inc. Managing JAVIS Automation & Engineering Inc. accomplish this in such a way that employees will always be treated with respect and dignity. We believe every person deserves to be treated in this manner, in any situation. We also believe this principle helps make JAVIS Automation & Engineering Inc. successful. And, in this environment, we can work together to solve any problems that may arise.

### **Parking Lot**

Employees are encouraged to use the parking areas designated for our employees. Please keep in mind that the parking spaces adjacent to or in front of our building(s) are for customers and visitors only. Remember to lock employee's car every day and park within the specified areas.

Courtesy and common sense in parking will avoid accidents, personal injuries, and damage to employee's vehicle and to the vehicles of other employees. If employees should damage another car while parking or leaving, immediately report the incident, along with the license numbers of both vehicles and any other pertinent information employees may have, to employees manager.

## **JAVIS Automation & Engineering, Inc. Professional Compensation Plan (PCP)**

JAVIS Automation & Engineering Inc. does not assume any liability for any loss or damages employees may sustain.

### ***Promotion Policy***

It is our policy to advise all employees about advancement opportunities by means of bulletin boards or other suitable methods. Please submit employee's request for consideration for a specific position directly to employee's manager.

Whenever a position becomes available, every effort will be made to fill it by promoting a qualified employee. Jobs will be awarded based on individual ability and past job performance, as well as length of service if two people have similar qualifications. By utilizing all opportunities for education and performing employees job excellently, employees may become qualified to fill a position of greater skill, responsibility and value at JAVIS Automation & Engineering Inc. JAVIS Automation & Engineering Inc. will always continue to look outside the company for potential employees as well.

Whenever employees are learning a new job, or if employee's abilities are unknown in a particular job, employees will be classified as a trainee during the time necessary for employees to gain experience to do the job. The length of training time for any given job is governed by the experience required for that job and employees learning ability. Employees will be reviewed every ninety-(90) days while training. At these reviews, employees may receive an increase in pay, timed so that upon completion of the training period, employees will be receiving a wage comparable to others in the job.