

# **California Handbook Addendum**

## **ABOUT THIS HANDBOOK**

This California Handbook Addendum applies to Stiles Machinery employees who work in the State of California and supplements our Employee Handbook. The policies noted in this Addendum are in addition to those that make up the Employee Handbook, and the policies that reside within that Handbook still apply to all employees of Stiles Machinery. In the event of any inconsistency between the Handbook and this Addendum, this Addendum will control for our employees working in California.

# California-Specific Policies

## 1-1 EEO Statement and No harassment/Unprofessional Conduct Policy

### Equal Opportunity Statement

STILES MACHINERY is committed to the principles of equal employment. We are committed to complying with all federal, state, and local laws providing equal employment opportunities and all other employment laws and regulations. It is our intent to maintain a work environment that is free of harassment, discrimination, or retaliation based on an individual's race (including, but not limited to, hair texture and protective hair styles such as braids, locks, and twists), color, religion, religious creed (including religious dress and grooming practices), national origin (including language use and possession of a special driver's license for those unable to prove lawful residency in the United States), ancestry, citizenship, physical or mental disability, medical condition (including cancer and genetic characteristics and HIV/AIDS), genetic information, marital or registered domestic partner status, sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), gender (including gender identity and gender expression), age (40 years and over), sexual orientation, veteran and/or military status, protected medical leaves (requesting or approved for leave under the Family Medical Leave Act or the California Family Rights Act), domestic violence victim status, criminal background, political affiliation, or any other status protected by federal, state, or local laws.

STILES MACHINERY is dedicated to the fulfillment of this policy in regard to all aspects of employment, including but not limited to recruiting, hiring, transfers, training, promotion, rates of pay, and other compensation, termination, and all other terms, conditions, and privileges of employment. The Company will conduct a prompt and thorough investigation of all allegations of discrimination, harassment, retaliation, or any violation of the Equal Employment Opportunity Policy. As stated below, the Company will keep the details of its investigation confidential to the furthest extent possible, recognizing that certain information may need to be disclosed at times to thoroughly investigate all allegations. The Company will take appropriate corrective and remedial action, if and where warranted. The Company prohibits retaliation against any employees who, in good faith, provide information about, complain about, or assist in the investigation of any complaint of discrimination or violation of the Equal Employment Opportunity Policy.

We are all responsible for upholding this policy. You may discuss questions regarding equal employment opportunity with your supervisor, Human Resources, or any other designated member of management.

### Policy Against Workplace Harassment

STILES MACHINERY has a strict policy against all types of workplace harassment, including sexual harassment and other forms of workplace harassment based upon an individual's characteristic protected by California law (or local ordinance, where applicable).

This policy protects all applicants, unpaid interns, contractors, and employees (including managers and supervisors) from unlawful harassment and discrimination. This includes harassment by employees, managers, supervisors, contractors, interns, volunteers, vendors, suppliers, and customers. In addition, this policy extends to conduct connected with an individual's work, even when the conduct takes place away from the workplace, such as a business trip or business-related social function.

### Harassment and Other Unprofessional Conduct

Harassment means disrespectful or unprofessional conduct, including disrespectful or unprofessional conduct based on an individual's characteristic protected by California law (or local ordinance, where applicable).

While it is not possible to list all circumstances that may constitute other forms of workplace harassment or unprofessional conduct, some examples of such conduct include:

The use of disparaging or abusive words or phrases, slurs, negative stereotyping or threatening, intimidating, or hostile acts that relate to the above protected categories; written or graphic material that insults, stereotypes, or shows aversion or hostility toward an individual or group because of one of the above protected categories and that is placed on walls, bulletin boards, email, voicemail, or elsewhere on Company premises, or circulated in the

workplace; and a display of symbols, slogans, or items that are associated with hate or intolerance toward any select group.

### Sexual Harassment

Sexual harassment means harassment based on sex or conduct of a sexual nature and includes harassment based on sex (including pregnancy, childbirth, breastfeeding, or related medical conditions), sex stereotypes, sexual orientation, gender, gender identity, or gender expression. It may include all of the actions described above as well as other unwelcome or unsolicited sexual advances, requests for sexual activities, or other verbal or physical conduct of sexual nature. Sexually harassing conduct need not be motivated by sexual desire and may include situations that began as reciprocal relationships, but later cease to be reciprocal.

Sexual harassment is generally categorized into the following two types:

Quid pro quo sexual harassment (“this for that”), which includes:

- Submission to sexual conduct when made explicitly or implicitly a term or condition of an individual's employment.
- Submission or rejection of the conduct by an employee when used on the basis of employment decisions affecting the employee.

Hostile work environment sexual harassment is conduct of a sexual nature or on the basis of sex by any person in the workplace that unreasonably interferes with an employee's work performance and/or creates an intimidating, hostile, or otherwise offensive working environment. Examples include:

- Unwelcome sexual advances, flirtation, teasing, sexually suggestive or obscene letters, invitations, notes, emails, voicemails or gifts.
- Sex, gender, or sexual orientation-related comments, slurs, jokes, remarks, or epithets.
- Leering, obscene or vulgar gestures, or sexual gestures.
- Displaying or distributing sexually suggestive or derogatory objects, pictures, cartoons, or posters of any such items.
- Impeding or blocking movement, unwelcome touching, or assaulting others.
- Any sexual advances that are unwelcome as well as reprisals or threats after a negative response to sexual advances.
- Conduct or comments consistently targeted at one gender, even if the content is not sexual.

### Retaliation

Retaliation means any adverse employment action taken against an employee because the employee engaged in activity protected under the law or this policy. Protected activities may include, but are not limited to, good-faith reporting or assisting in reporting suspected violations of this policy and/or cooperating in investigations or proceedings arising out of a violation of this policy.

Adverse employment action is conduct or action that materially affects the terms and conditions of the employee's employment status or is reasonably likely to deter the employee from engaging in protected activity. Even actions that do not result in a direct loss of compensation may be regarded as an adverse employment action when considered in the totality of the circumstances.

### Training

Every two years, all employees must attend Sexual Harassment Prevention and Workplace Civility training aimed at increasing their understanding of and preventing workplace sexual harassment (including harassment on the basis of sexual orientation, gender identity, and gender expression) and their role in creating an underlying culture of mutual respect in our workplace. Specific components of the training will include how to promptly and effectively

respond to sexual harassment when it occurs, the effects of abusive conduct in the workplace, and ways to appropriately intervene if one witnesses behavior that is not in keeping with this policy. You may access an example of such training here: <https://www.dfeh.ca.gov/shpt/>.

The training will be provided by trainers who, in addition to the other requirements provided by applicable state law and/or regulation, have the ability through training or experience to train supervisors on how to identify, investigate, report, and respond to unlawful harassment, discrimination, and retaliation in the workplace.

#### Reporting Discrimination, Harassment, Unprofessional Conduct and/or Retaliation

If you feel that you have witnessed or have been subjected to any form of discrimination, harassment, unprofessional conduct, or retaliation, immediately notify Human Resources or any member of management.

The Company prohibits retaliation against employees who, based on a reasonable belief, provide information about, complain, or assist in the investigation of any complaint of harassment or discrimination.

We will promptly and thoroughly investigate any claim and take appropriate corrective and/or remedial action where we find a claim has merit. If the Company begins an investigation, we will endeavor to conduct the investigation in a timely manner and will keep the investigation confidential to the extent possible. In the same way, all employees are required to cooperate fully with any investigation. This includes, but is not limited to, maintaining an appropriate level of discretion regarding the investigation and disclosing any and all information that may be pertinent to the investigation. Investigations will be documented and tracked for timely resolution.

When the investigation has been completed, the Company will normally communicate the results of the investigation to the complaining individual, to the alleged harasser, and, if appropriate, to others who are directly involved. If our policy is found to have been violated, appropriate corrective action, up to and including termination, will be taken against the offending individual. Both the rights of the accused and the complainant will be considered in any investigation and subsequent action.

As necessary, the Company may monitor any incident or complaint to assure the inappropriate behavior has stopped. In all cases, the Company will follow up as necessary to ensure that no individual is retaliated against for making a complaint or cooperating with an investigation.

In addition to our internal complaint procedure, employees may also contact either the Equal Employment Opportunity Commission (EEOC) or the California Department of Fair Employment and Housing (DFEH) to report unlawful harassment. You must file a complaint with the DFEH within three years of the alleged unlawful action. The EEOC and the DFEH serve as neutral fact-finders and will attempt to assist the parties to voluntarily resolve their disputes. For more information, contact the Office of Human Resources or the nearest EEOC or DFEH office.

#### Filing Complaints Outside the Company

You may file formal complaints of discrimination, harassment, or retaliation with the agencies listed below. Contact these agencies directly for more information about the filing processes.

California Department of Fair Employment and Housing  
2218 Kausen Drive, Suite 100  
Elk Grove, CA 95758  
800-884-1684 (voice) 800-700-2320 (TTY) or  
California's Relay Service at 711  
[Contact.center@dfeh.ca.gov](mailto:Contact.center@dfeh.ca.gov)  
<https://www.dfeh.ca.gov>

U.S. Equal Employment Opportunity Commission  
800-669-4000 or 800-669-6820 (deaf/hard-of-hearing callers only)  
<https://www.eeoc.gov/employees>  
Find your nearest EEOC office here: <https://www.eeoc.gov/field-office>

## 1-2 Recording Time

STILES MACHINERY is required by applicable federal, state, and local laws to keep accurate records of hours worked by certain employees. To ensure that the Company has complete and accurate time records and that employees are paid for all hours worked, nonexempt employees are required to record all working time using our internal timekeeping application. Exempt employees may also be required to track days or time worked. Speak with your supervisor for specific instructions.

You must accurately record all of your time to ensure you are paid for all hours worked and must follow established Company procedures for recording your hours worked. Time must be recorded as follows:

- Immediately before starting your shift.
- Immediately after finishing work, before your meal period.
- Immediately before resuming work, after your meal period.
- Immediately after finishing work.
- Immediately before and after any other time away from work.

Your timecard must be appropriately completed and turned in to your supervisor on a weekly basis.

Notify your supervisor and Human Resources of any pay discrepancies, unrecorded or misrecorded work hours, or any involuntarily missed meal or break periods.

Falsifying time entries is strictly prohibited. Falsifying time entries includes working “off the clock.” If you falsify your own time records or the time records of co-workers, or if you work off the clock, you will be subject to discipline up to and including termination. Immediately report to Human Resources any employee, supervisor, or manager who falsifies your time entries or encourages or requires you to falsify your time entries or work off the clock.

## 1-3 Expense Reimbursement

STILES MACHINERY will reimburse California employees for necessary expenses or losses incurred in the discharge of the employee’s duties. California employees should reach out to Human Resources regarding expenses that will be approved.

## 1-4 Meal and Rest Periods

Meal and rest periods are intended to provide employees with an opportunity to be away from work, and employees are not permitted to perform any work during meal and rest periods. In addition to the meal period provided under the Employee Handbook, employees will receive an additional 30-minute unpaid meal break when working more than 12 hours in a day, and a paid 10-minute rest period for every four hours worked.

### Lactation Breaks

Any employee who is a nursing mother is eligible to take a reasonable amount of break time to express breast milk for the employee’s infant child each time the employee has a need to express breast milk. There is no length of service requirement to be eligible.

To request lactation accommodation, an employee should contact Human Resources. STILES MACHINERY has an obligation to reasonably accommodate an employee’s request regarding lactation accommodation and to provide the requisite facilities. If STILES MACHINERY is not able to provide break time or a lactation location, the Company will provide a written response to the employee, as required by law. Employees who use their regular paid rest breaks as their lactation breaks are paid during the rest breaks. Employees who are required to record time must accurately record the start and end of lactation breaks.

You have the right to file a complaint with the state’s Labor Commissioner for any violation of a right under the lactation accommodation law, including the prohibition against retaliation.

## 1-5 Overtime

If you are nonexempt and work more than eight hours in any workday or more than six days in any workweek, you will be paid overtime at a rate of:

- One and one-half times your regular rate of pay for all hours worked in excess of eight hours, up to and including 12 hours in any workday, and for the first eight hours worked on the seventh consecutive day of work in a workweek.
- Two times your regular rate for all hours worked in excess of 12 hours in a workday or in excess of eight hours on the seventh consecutive day of work in a workweek.

If you are nonexempt and work more than 40 hours in a workweek, you may be entitled to overtime after any daily overtime hours are subtracted. The same hours are never counted against different overtime limits. For purposes of calculating overtime, rest periods will be counted as hours worked.

## 1-6 Reporting Time Pay

STILES MACHINERY provides reporting time pay to nonexempt employees in all circumstances required by applicable law, including when you report to work for your scheduled shift but are asked to work, or are given less than half the hours you were scheduled to work. Reporting time pay may also be available for employees who are asked to call in or verify whether they will be required to work through online resources. Finally, reporting time pay is available for nonexempt employees who report to work for a second shift during the same workday to find less than two hours of work to perform on the second reporting.

Reporting time pay will be paid at your regular rate of pay. Reporting time pay for hours not actually worked is not counted for purposes of determining overtime.

Reporting time pay is not provided under certain circumstances, including, but not limited to:

1. When Company operations cannot begin or continue due to threats to employees or property, or when civil authorities recommend that work not begin or continue.
2. When public utilities fail to supply electricity, water, or gas, or there is a failure in the public utilities or sewer system.
3. When the interruption of work is caused by a naturally occurring disaster or other cause outside the employer's control, such as an earthquake.

Speak with your supervisor for more information regarding reporting time pay.

## 1-7 PTO Time

Up to 40 hours of unused paid time off will be carried over from year to year. Earned but unused PTO time will be paid out upon separation. Employees will not be responsible to reimburse the Company for any excess vacation time taken.

## 1-8 Disability Insurance

If you are unable to work for at least eight days due to a non-work-related illness or injury, or a pregnancy-related disability, you may be eligible for disability insurance benefits. Disability insurance is a component of California's State Disability Insurance (SDI) program, which is administered by the California Employment Development Department (EDD) and is funded by workers through SDI payroll deductions. The Company may also implement a Voluntary Plan for the provision of SDI benefits, which provides coverage at least as good as the SDI State Plan, plus at least one additional benefit not provided by the State Plan.

Disability insurance provides eligible employees with up to 52 weeks of partial wage replacement benefits. Benefit amounts are based on a percentage of your wages paid during a specific 12-month base period, determined by the date your claim begins. For employees who file a claim for pregnancy disability insurance, the usual disability period for a normal pregnancy is up to four weeks before the expected delivery date and up to six weeks (for

normal delivery) or eight weeks (for cesarean section). However, your physician/practitioner may certify to longer periods if there are medical complications or if you are unable to perform your regular or customary job duties.

To apply for this benefit, you must provide written notice of the disability, including a doctor's certificate stating the nature of the disability and your expected date of return to work.

The SDI program does not create a right to a leave of absence, job protection, or job reinstatement.

You are responsible for filing your claim and other forms promptly and accurately with the EDD (or with the Company, if applicable). To learn more about the SDI program, including eligibility requirements and benefits, or to make a claim for SDI benefits, contact the EDD ([www.edd.ca.gov](http://www.edd.ca.gov)).

STILES MACHINERY will be notified that you have submitted a disability insurance claim.

## 1-9 Paid Family Leave Insurance

California's Paid Family Leave (PFL) insurance program provides eligible employees with up to eight weeks of partial wage replacement in any 12-month period to take time off from work to bond with a new child (either by birth, adoption, or foster care placement) or to care for a seriously ill family member (child, parent, parent-in-law, grandparent, grandchild, sibling, spouse, or registered domestic partner). The 12-month period begins on the day a claim is submitted.

PFL insurance is funded entirely by workers through SDI payroll deductions. If you are currently receiving benefits from SDI or workers' compensation insurance, you may not be eligible to receive PFL benefits. The California PFL insurance program does not create a right to a leave of absence, job protection, or job reinstatement.

The PFL insurance program makes benefits available to eligible employees through the EDD. Apply for PFL insurance directly with the EDD. Contact the EDD for information on eligibility or to obtain a claim form. Medical and other documentation may be required.

## 1-10 Pregnancy Disability Leave

If you are disabled by pregnancy, childbirth, or a related medical condition, STILES MACHINERY will provide you with up to four months (17.33 weeks) of unpaid pregnancy disability leave (PDL).

### Eligibility

To be eligible for PDL, you must suffer from a pregnancy-related disability. A **pregnancy-related disability** is a physical or mental condition related to pregnancy or childbirth that prevents you from performing the essential duties of your job, or would cause undue risk to you or your pregnancy's successful completion.

Conditions for which PDL is available include, but are not limited to:

- Severe morning sickness.
- Prenatal or postnatal care.
- Doctor-ordered bed rest.
- Gestational diabetes.
- Pregnancy-induced hypertension.
- Preeclampsia.
- Post-partum depression.
- Lactation conditions such as mastitis.
- Loss or end of pregnancy.
- Recovery from loss or end of pregnancy.



### Use of Leave

PDL may be taken before or after birth during any period of time (not to exceed four months) where you are physically unable to work due to your pregnancy-related disability. You may take PDL all at once or intermittently.

Where applicable under state and federal law, employees who qualify and are entitled to take PDL may also be eligible for leave under the California Family Rights Act (CFRA) and the federal Family and Medical Leave Act (FMLA). PDL and FMLA run concurrently. CFRA leave will be counted separately from PDL. CFRA leave will also be counted separately from FMLA leave taken for pregnancy disability, childbirth, or related medical conditions. An additional 12 weeks of bonding leave may also be available to qualified individuals. Speak with your supervisor about your eligibility for these leaves.

### Notice and Leave Request Process

#### *Foreseeable Need for Leave*

If the need for leave is foreseeable because of an expected birth/adoption or planned medical treatment, you must give at least 30 days' notice. If 30 days' notice is not practicable, give notice as soon as possible. You are expected to complete and return a leave request form prior to the beginning of leave. Failure to provide appropriate notice and/or complete and return the necessary paperwork will result in the delay or denial of leave.

#### *Unforeseeable Need for Leave*

If the need for leave is unforeseeable, provide notice as soon as practicable and possible under the facts of the particular case. Normal call-in procedures apply to all absences from work including those for which leave under this policy may be requested. Complete and return the necessary leave request form as soon as possible to obtain the leave. Failure to provide appropriate notice and/or complete and return the necessary paperwork on a timely basis will result in the delay or denial of leave.

#### *Leave Request Process*

To request leave under this policy, notify Human Resources. If the need for leave is unforeseeable and you will be absent more than three days, contact your supervisor as soon as possible. If leave will be fewer than three days, you can reach out to Human Resources for the appropriate documentation upon returning to work.

#### *Call-In Procedures*

In all instances of absence, follow the call-in procedures and standards established for giving notice of absence from work.

### Paid Leave Utilization During Pregnancy Leave

You will be required to use available paid time off (including PTO, if any) during PDL.

If you are on PDL for eight or more consecutive calendar days, you may be eligible for partial wage replacement benefits under the SDI program. You are responsible for applying for these benefits and can obtain forms from your health care provider.

### Certification and Fitness for Duty Requirements

When requesting PDL, you must provide certification from a health care provider to qualify for leave. Such certification must be provided within 15 days of the request for leave unless it is not practicable under the circumstances despite your diligent efforts. Failure to provide certification may result in leave being delayed, denied, or revoked. At the discretion of the Company, you may also be required to obtain a second and third certification from another health care provider at Company expense (except for military care leave). Recertification of the continuance of a serious health condition or an injury/illness of a military service member will also be required at appropriate intervals.

### Temporary Transfer and Other Accommodations

If you are suffering from a pregnancy-related disability, you are entitled to a temporary transfer to another position or other reasonable accommodation based on the pregnancy-related disability if you request the transfer or reasonable accommodation and the request is based on the medical certification of a health care provider that a transfer or reasonable accommodation is medically advisable, and the request can be reasonably accommodated by the Company. All employees who are transferred to accommodate a pregnancy-related disability have the same reinstatement and other rights described below with respect to pregnancy-related disability leaves.

The Company may also require you to transfer temporarily to an available alternative position with the same pay and benefits in order to accommodate your need for intermittent leave or a reduced work schedule.

### Health Insurance

The Company will maintain your health insurance coverage during leave as if you were still working. You must continue to make timely payments of your share of the premiums. Failure to pay premiums within 30 days of when they are due may result in a lapse of coverage. If this occurs, you will be notified 15 days before the date coverage will lapse that coverage will terminate unless payments are promptly made. Alternatively, at our option, the Company may pay your share of the premiums during the leave and recover the costs of this insurance upon your return to work. Coverage that lapses due to nonpayment of premiums will be reinstated immediately upon return to work without a waiting period. Under most circumstances, if you do not return to work at the end of leave, the Company may require reimbursement for the health insurance premiums paid during the leave.

### Return to Work

Upon returning to work at the end of leave, you will be placed in your original job or an equivalent job with equivalent pay and benefits. You will not lose any benefits that accrued before leave was taken. You may not, however, be entitled to discretionary raises, promotions, bonus payments, or other benefits that become available during leave.

At the completion of PDL, you will be required to obtain a release to return to work from your health care provider stating that you are able to resume your original job or duties.

### Failure to Return

If you fail to return to work or fail to make a request for an extension of leave prior to the expiration of the leave, you will be deemed to have voluntarily terminated your employment.

### Retaliation

The Company will not retaliate against employees who request or take leave in accordance with this policy.

## **1-11 California Family Rights Act (CFRA)**

All STILES MACHINERY employees who work in California may take job-protected leave under the CFRA. Such employees are entitled to intermittent leave for bonding without STILES MACHINERY's permission, and the basic minimum duration of that leave generally is two weeks. Where two employees work for the Company and require bonding leave for the same child, each employee may take up to 12 weeks' leave for bonding time. Employees may also take leave for a qualifying exigency related to the covered active duty or call to covered active duty of an employee's spouse, registered domestic partner, child, or parent, including parent-in-law in the US Armed Forces.

STILES MACHINERY will not require "medical facts" (e.g., symptoms or a diagnosis) and certain other information that the Family and Medical Leave Act would permit as part of a medical certification, nor will STILES MACHINERY obtain a second or third medical opinion as to the serious health condition of a family member or designated person (as opposed to an employee's own medical condition, where second and third opinions are permitted). For purposes of CFRA leave, the term "family member" also includes registered domestic partners, grandparents, grandchildren, siblings, children (regardless of age), as well as children of registered domestic partners. Finally, for purposes of CFRA leave, a "designated person" is "any individual related by blood or whose association with the employee is the equivalent of a family member" who the employee will identify at the time

that leave is requested. An employee may identify one designated person per 12-month period. In all other respects, employees requesting or approved for CFRA leave will be treated the same as employees who request or are approved for FMLA leave.

## **1-12 Paid Sick Leave**

For employees who do not earn paid time off under the Employee Handbook and who have worked in California for at least 30 days within a year after commencing employment with STILES MACHINERY, paid sick leave is available for certain purposes under this policy. Those employees will be granted 24 hours of paid leave each calendar year on the first payroll of that year.

Such employees may use time under this policy:

- For the diagnosis, care, or treatment of an existing health condition of, or preventive care for, the employee or the employee's family member.
- For victims of domestic violence, sexual assault, or stalking to seek care, psychological counseling, shelter or support services, safety-related measures, or any relief, including restraining orders, to help ensure the health, safety, or welfare of the victim or the victim's child.

Time off under this policy must be taken in two-hour increments. Employees must provide reasonable advance notification to Human Resources if the need for the leave is foreseeable. If the need is not foreseeable, employees must provide notice as soon as practicable. Upon separation of employment from STILES MACHINERY, any remaining balance of paid sick leave under this policy will be forfeited.

## **1-13 Military Spousal Leave**

STILES MACHINERY provides up to 10 days of unpaid leave to employees who are spouses or registered domestic partners of military personnel who are home on leave during a period of military deployment. An eligible employee works at least an average of 20 hours per week and is the spouse or registered domestic partner of a member of the armed forces of the United States, National Guard or Reserves who has been deployed during a period of military conflict. To request leave under this policy, eligible employees must provide notice to STILES MACHINERY within two business days of receiving official notice that their spouse or registered domestic partner will be on leave from deployment. Employees may, but are not required to, use accrued paid leave (e.g., Paid Time Off) concurrently with leave under this policy.

## **1-14 Voting Leave**

In the event an employee does not have sufficient time outside working hours to vote in a statewide election, the employee may take up to two hours of working time to vote. Such time will be paid. This time should be taken at the beginning or end of the regular work schedule.

## **1-15 Volunteer Leave**

The Company will permit eligible employees to take unpaid leaves of absence to serve and/or train as volunteer firefighters, peace officers, emergency rescue personnel, and with the Civil Air Patrol.

## **1-16 Bone Marrow and Organ Donor Leave**

STILES MACHINERY will provide employees who have been employed with the Company for at least 90 days with a paid leave of absence for the purpose of donating organs or bone marrow. When donating an organ, you may take up to 30 paid business days in any one-year period. When donating bone marrow, you may take up to five paid business days in any one-year period. The one-year period for both leaves is measured from the date leave begins.

The Company will also provide employees with an additional unpaid leave of absence of up to 30 business days in a one-year period when donating an organ. The one-year period is measured from the date leave begins.

You are required to provide as much advance notice as possible if you wish to take leave to donate an organ or bone marrow. Provide Human Resources with verification from a physician that the donation will take place and that there is a medical necessity for the donation.

Before taking paid leave under this policy, you must first use two weeks of accrued vacation or other paid time off when donating an organ, or five days accrued vacation or other paid time off when donating bone marrow.

Leave taken under this policy does not constitute a break in service for health insurance coverage, accrual of vacation or sick pay, or seniority; however, the leave may not run concurrently with federal Family and Medical Leave Act or California Family Rights Act leave.

The Company will not retaliate against employees who request or take leave in accordance with this policy.

### **1-17 Crime Victim Leave**

STILES MACHINERY provides employees who are the victim of a violent felony or serious felony (or the family member of a victim of a violent felony or serious felony) with unpaid leave in order to attend judicial proceedings related to the crime. A family member under this policy includes a spouse, domestic partner, child, stepchild, brother, stepbrother, sister, stepsister, mother, stepmother, father, or stepfather.

When the need for leave is foreseeable, you must provide documentation of the scheduled proceeding. Such notice is typically given to the victim of the crime by a court or government agency setting the hearing, a district attorney or prosecuting attorney's office, or a victim/witness office. If advance notice is not possible, you must provide appropriate documentation within a reasonable time after the absence.

Any absence from work to attend judicial proceedings will be unpaid unless you choose to take paid time off.

The Company will not retaliate against employees who request or take leave in accordance with this policy.

### **1-18 Witness Leave**

If you are required by law to appear in court as a witness, you may take unpaid time off to do so, provided you give STILES MACHINERY reasonable advance notice.

### **1-19 School Activities Leave**

Parents will be provided unpaid leave of up to eight hours per month and up to 40 hours per year for activities at their child(ren)'s school or daycare facility.

### **1-20 Personnel File Review**

As required by state law, STILES MACHINERY maintains personnel records for each employee. Personnel records are confidential and maintained by the Human Resources Department. All current employees may request to access their personnel records in writing using the procedure outlined in this policy. Former employees whose employment with STILES MACHINERY terminated no more than three years ago may also request access to their personnel file. Representatives of current and former employees may also request access to an employee's personnel file on behalf of the employee, provided that the representative is authorized to do so in writing by the employee.

Current and former employees may access their personnel files to inspect its contents, request a copy of relevant records, or both. All such requests must be made in writing to Human Resources Department using the form provided by STILES MACHINERY or another form of written request. The form is available from the Human Resources Department and also may be obtained by asking for a copy from the employee's supervisor.

Within a reasonable time after receiving an employee's written request, but no later than 30 days after receiving the request, which may be extended to a maximum of 35 days by mutual agreement of the employee (or employee's authorized representative) and STILES MACHINERY, the Company will provide the employee or former employee (or an authorized representative) with access to and/or copies of the employee's personnel records.

The Company will notify the employee or authorized representative of the time and place for inspection of the personnel records, which will be at a reasonable place and time. If the time is during the employee's work hours, their pay will not be docked for time spent inspecting records.

Personnel records that employees may inspect or receive copies of include those relating to an employee's performance, any grievance that concerns the employee, documents signed by the employee, and documents used to determine the employee's qualifications for employment, transfer, promotion, additional compensation, discipline, or discharge except as otherwise provided by law.

Employees who disagree with any information in their personnel records may request removal or revision of the information by the Human Resources Department. However, it is in the sole discretion of STILES MACHINERY whether any information will be removed or revised in an employee's personnel record.

## **1-21 Bereavement Leave**

STILES MACHINERY provides employees with leave time due to the death of an immediate family member. By CA state law, employees of ROL residing in CA are entitled to up to five days of unpaid leave upon the death of a family member. The five days of leave required by state law will encompass the two days of paid bereavement that is a Companywide policy. The days of bereavement leave need not be consecutive, but the leave must be completed within three months of the date of death. For purposes of this law a family member is a spouse, child, parent, sibling, grandparent, grandchild, domestic partner, or parent-in-law.

To be eligible for bereavement leave under the law, an employee must work for the Company for at least 30 days before start of leave. The employee will be required to provide documentation of the death of the family member within 30 days of the first day of leave.

## California Handbook Addendum Acknowledgment

This California-specific Handbook Addendum is an important document intended to help our employees become acquainted with policies specific to the State of California. This document is intended to provide guidelines and general descriptions only; it is not the final word in all cases. Individual circumstances may call for individual attention.

Because the Company's operations may change, the contents of this handbook may be changed at any time, with or without notice, in an individual case or generally, at the sole discretion of leadership.

Please read the following statements and sign below to indicate your receipt and acknowledgment of this California Handbook Addendum.

**I have received and read a copy of STILES MACHINERY'S California Handbook Addendum. I understand that the policies, rules, and benefits described in it are subject to change at the sole discretion of the Company at any time.**

**I further understand that my employment is terminable at will, either by myself or the Company, with or without cause or notice, regardless of the length of my employment or the granting of benefits of any kind.**

**I understand that no representative of STILES MACHINERY other than the Head of Human Resources and/or the President may alter "at will" status, and any such modification must be in a signed writing.**

**I understand that my signature below indicates that I have read and understand the above statements and that I have received a copy of the Company's California Handbook Addendum.**

Employee's Printed Name: \_\_\_\_\_

Employee's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

The signed original copy of this acknowledgment will be filed in your personnel file.