

Employee Handbook for the employees of



January 1, 2023

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**DISCLAIMER OF EXPRESS OR IMPLIED CONTRACT OF
EMPLOYMENT**

THIS EMPLOYEE HANDBOOK IS PROVIDED AS A GUIDE AND DOES NOT CREATE EITHER AN EXPRESS OR IMPLIED CONTRACT OF EMPLOYMENT OF ANY SPECIFIC DURATION.

I UNDERSTAND THAT EMPLOYMENT AT-WILL MEANS THAT EITHER THE COMPANY OR I HAVE THE RIGHT TO TERMINATE MY EMPLOYMENT AT ANY TIME AND FOR ANY REASON NOT OTHERWISE PROHIBITED BY LAW.

Employee Signature

Date

Name Printed

(Note: This page is to remain in the Employee Handbook.)

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WELCOME!

Welcome to SKG. We hope you agree that you have a great contribution to make to our organization and that you find your employment with us a rewarding experience. We look forward to the opportunity of working together to create a more successful Company. We also want your employment with us to be one that is mutually beneficial and gratifying.

We hope you will find satisfaction in your job and take pride in your work. Company Management

INTRODUCTION TO HANDBOOK

This handbook was developed to provide you with guidelines to our Company policies and to outline programs and benefits available to you. You should familiarize yourself with the contents as soon as possible so you will know what is expected of you and what you can expect from our organization.

This Employee Handbook replaces all previous SKG handbooks, policies and memoranda. Failure to follow any of the policies in this handbook may result in disciplinary action, up to and including, termination of employment.

SKG handles the day-to-day activities related to its core business and the administrative responsibilities such as payroll processing and benefits, and many human resources issues.

You should have already signed an Employment Agreement outlining your employment relationship with SKG. Contact your supervisor or an SKG Human Resources Department if you have any questions.

We hope that your experience with us will be challenging, enjoyable and rewarding. Again, welcome!

EMPLOYMENT

ACCOMMODATION OF DISABILITIES

SKG is committed to making every reasonable effort to accommodate an employee's disability. An accommodation may be provided as long as the employee can perform the essential duties of the job, and it does not create an undue hardship for the Company. A reasonable accommodation may include changes in the work environment or in the way a job is performed, so a person with a disability may enjoy equal employment opportunities.

Under this policy, if you are pregnant and request a reasonable accommodation for the duration of or any part of your pregnancy, we will explore all possible means of providing the reasonable accommodation including, but is not limited to, the following:

- More frequent or longer bathroom breaks;
- Breaks for increased water intake;
- Breaks for periodic rest;
- Seating;
- Assistance with manual labor;
- Light duty;
- Temporary transfer to a less strenuous or hazardous position;
- Acquisition or modification of equipment;
- Changing the employee's job duties;
- Changing the employee's work hours;
- Relocating the employee's work area; or
- Providing leave necessitated by pregnancy, childbirth, or medical or common conditions relating to pregnancy or childbirth.

Accommodations depend upon the employee's job qualifications and the specific facts and circumstances of each individual situation.

Please inform your supervisor if you require an accommodation, so the Company can have an interactive discussion with you. Your supervisor will work with you to determine if there is a need for an adjustment or change at work to accommodate your disability.

AT-WILL EMPLOYMENT

Your employment with SKG is at-will which means that you or SKG may terminate your employment at any time for any lawful reason unless a written employment agreement exists with SKG that provides otherwise.

SKG has the right to transfer, demote, or otherwise discipline an employee at any time for any lawful reason. SKG maintains the ability to enter into employment agreements. For an employment agreement with SKG to be considered valid, it must be signed by the Dealer Principle.

This handbook is not a contract guaranteeing employment for any specific duration. As provided in the Handbook Acknowledgement, nothing in this handbook creates or is intended to create a promise or representation of continued employment. This handbook replaces any and all prior handbooks, written documents (with the exception of authorized employment agreements) or oral or implied representations that might otherwise contradict the at-will nature of your employment.

CHANGE IN POLICY

The Company may change, revoke or supplement the policies in this handbook at any time without notice. The Company will determine the effective date of any changes and every effort will be made to notify you in advance. However, failure to give advance notice will not void any policy's application in the workplace.

If you are uncertain about any policy or procedure, contact your supervisor for clarification.

EMPLOYMENT REFERENCES

You should refer all requests for employment verification, on current or former Employees, to The Human Resources department.

EQUAL EMPLOYMENT OPPORTUNITY

SKG provides equal employment opportunities to all Employees and applicants in all Company facilities without regard to race, color, religious creed, sex, national origin, ancestry, citizenship status, pregnancy, childbirth, physical disability, mental and/or intellectual disability, age, military status or status as a Vietnam-era or special disabled veteran, marital status, registered domestic partner or civil union status, gender (including sex stereotyping and gender identity or expression), medical condition (including, but not limited to, cancer related or HIV/AIDS related), genetic information, or sexual orientation in accordance with applicable federal, state and local laws.

This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, termination, layoff, recall, and transfer, leaves of absence, compensation and training.

PERSONNEL FILES

SKG maintains a personnel file on each employee. Contact your supervisor to request a review of your Company personnel file.

To ensure that your personnel file is up-to-date at all times, notify your supervisor or the Human Resources department of any changes in your name, telephone number, home address, withholding instructions, number of dependents, beneficiary designations, scholastic achievements, or the individuals to notify in case of an emergency.

EMPLOYEE CONDUCT

ABSENTEEISM AND TARDINESS

Regular attendance is important to the smooth operation of SKG. If you are late or absent, it places a burden on other Employees and may impact productivity, customer satisfaction and team morale.

You are expected to be reliable and punctual by reporting to work on time and as scheduled. If you know that you will be absent or late arriving for work, notify your supervisor directly as soon as possible. In most circumstances, you should notify your supervisor at least 30 minutes prior to the start of your work shift each day of your absence, unless you have been granted a leave of absence. In the event of a sickness or accident while performing your duties, notify your supervisor immediately.

If you are absent for three or more consecutive workdays due to personal illness, you may be required to provide a statement from your healthcare provider before you will be permitted to return to work. Failure to properly report your absences may be considered a voluntary resignation of your position.

ANTI-HARASSMENT

SKG is committed to a work environment in which all individuals are treated with respect and dignity and are free from all forms of harassment and discrimination. Any form of harassment, even when not unlawful or directed at a protected category, is prohibited, and will not be tolerated. All Employees, including supervisors, co-workers, vendors, contractors, customers, or other third parties, are expected to adhere to this policy.

Reported or suspected occurrences of harassment or discrimination will be promptly and thoroughly investigated. Following an investigation, SKG will promptly take any necessary and appropriate disciplinary action.

SKG will not permit or condone any acts of retaliation against anyone who files or cooperates in the investigation of harassment or discrimination complaints.

1. The term “harassment” includes harassment based on any category protected by federal, state, or local law, which may include, but is not limited to, unwelcome slurs, jokes, or verbal, graphic, or physical conduct relating to an individual's race, color, religious creed, sex, national origin, ancestry, citizenship status, pregnancy, childbirth, physical disability, mental and/or intellectual disability, age, military status or status as a Vietnam-era or special disabled veteran, marital status, registered domestic partner or civil union status, familial status, gender (including sex stereotyping and gender identity or expression), medical condition (including, but not limited to, cancer-related or HIV/AIDS-related), genetic information, or sexual orientation.

2. Sexual harassment consists of unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature where:
 - a. Submission to such conduct is an explicit or implicit term or condition of employment
 - b. Employment decisions are based on an employee's submission to or rejection of such conduct; or
 - c. Such conduct unreasonably interferes with an individual's work performance or creates an intimidating, hostile, or offensive working environment.

Complaint Procedure

Any employee who feels harassed or discriminated against is encouraged to immediately inform the alleged offender that the behavior is unwelcome. In many instances, the person is unaware his or her conduct is offensive, and this action alone may often resolve the problem. If the informal discussion with the alleged offender is unsuccessful in remedying the problem, or if you do not feel comfortable with such an approach, you should immediately report the conduct to your immediate supervisor, manager, or Human Resources department. We cannot resolve a harassment or discrimination problem unless we know about it. Therefore, it is your responsibility to bring those kinds of problems to our attention so we can take the necessary steps to correct any problems. The report should include all facts available to you regarding the alleged harassment, sexual harassment, or discrimination.

Confidentiality

All reports of alleged harassment, sexual harassment, or discrimination will be treated seriously. Confidentiality will be maintained to the extent possible. However, to conduct a thorough investigation, certain information may need to be disclosed to other individuals, including the alleged offender. Consequently, absolute confidentiality cannot be promised and cannot be guaranteed.

Investigative Procedure

Once a complaint of alleged harassment, sexual harassment, or discrimination is received, we will begin a prompt and thorough investigation. The investigation may include interviews with all involved Employees, including the alleged harasser, and any Employees who are aware of facts or incidents alleged to have occurred.

Following an investigation, SKG will promptly take any necessary and appropriate disciplinary action. Disciplinary action will be taken if the investigation reveals that an employee has acted in a manner that is not in alignment with the goals of this policy. SKG may address any workplace issue discovered during an investigation. This may include some or all the following steps:

1. Restore any lost terms, conditions, or benefits of employment to the complaining employee.
2. Discipline the alleged harasser. This discipline may include written disciplinary warnings, transfer, demotion, suspension and/or termination of employment.

If the alleged harassment, sexual harassment, or discrimination is from a vendor, contractor, customer or other third party, SKG the Company will take appropriate action to stop the conduct.

If you have made a complaint but feel that the action taken in response has not remedied the situation, you should make an additional complaint following the complaint procedure outlined in this policy.

Duties of Employees and Supervisors

All Employees of the Company, both management and non-management, are responsible for assuring that a workplace free of harassment, sexual harassment, and discrimination is maintained. Any employee may file a complaint regarding incidents experienced personally or incidents observed in the workplace. The Company strives to maintain a pleasant work environment where all Employees are able to effectively perform their work without the interference of any type and requests the assistance of all Employees in this effort.

All managers and supervisors are responsible for doing all they can to prevent and discourage harassment, sexual harassment, and discrimination from occurring. If a complaint of harassment, sexual harassment, or discrimination is raised, the individual to whom the complaint is made (i.e., supervisor, manager, Human Resources Department) should act promptly. The Company may discipline any managers or supervisors who fail to follow this policy, which discipline, may include termination.

CONFIDENTIALITY OF BUSINESS INFORMATION

SKG is committed to protecting the confidentiality of information that we handle for our clients or customers. The general business affairs of our customers and clients should not be discussed with anyone outside the organization except as required in the normal course of business. Confidential information regarding our business includes, but is not limited to, inventions, discoveries, improvements, processes, formulas, software, apparatus, equipment, methods, trade secrets, research, secret data, or cost or purchases of Client's products or services should not be disclosed to any party without the appropriate consent of the SKG.

This policy is intended to protect confidential business information, and not to restrict Employees from discussing their wages, hours, and other terms and conditions of employment as protected by law.

CONFLICT OF INTEREST

In all situations, you are expected to conduct your activities with integrity, ethically, and in accordance with applicable laws and regulations. Employees should not engage in any activity, practice, or conduct which conflicts, or appears to conflict, with the interests of the Company, its customers, suppliers, contractors, competitors, or any person doing or seeking to do business with SKG.

You are to act in the best interests of the Company, regardless of personal preference, and must not create the perception of personal advantage. An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative (related by blood or marriage, or a similar relationship).

The mere existence of a relationship with outside firms does not necessarily create a conflict of interest. However, if you have any influence on transactions involving purchases, contracts, or leases, you must disclose the existence of the relationship to your supervisor as soon as possible.

Employees should not solicit or accept a promise of future employment or any gift, loan, gratuity, reward, or anything else of monetary value that might appear to influence their judgment or create a conflict in the performance of their job. You may accept occasional unsolicited courtesy gifts or favors (such as business lunches, tickets to sporting events or cultural events, holiday baskets, flowers, etc.) so long as the gifts or favors have a market value under \$100, are customary in the industry, and do not influence or appear to influence your judgment or conduct. Contact your supervisor for guidance as needed.

DRUG-FREE WORKPLACE

SKG is committed to protecting the safety, health, and well-being of all Employees, customers, clients, and vendors in our workplace. “Workplace” includes Company property, any Company-sponsored activity, or any other site where you are performing work or representing the Company.

The term “drug” as used in this policy includes alcoholic beverages and prescription drugs, as well as illegal inhalants and illegal drugs and/or controlled substances including, but not limited to, marijuana, opiates (e.g., heroin, morphine), cocaine, phencyclidine (PCP), and amphetamines.

All Employees are expected to contribute to maintaining a drug-free workplace. Prohibited activities under this policy include the possession, use, sale, attempted sale, distribution, manufacture, purchase, attempted purchase, transfer, or cultivation of drugs in the workplace. Employees are also prohibited from being at the workplace with a detectable number of drugs in their system. However, the use and/or possession of prescription drugs, when taken as directed and obtained with a valid prescription under federal law, is not a violation of this policy.

As a condition of continued employment, all Employees must comply with this policy. An employee who engages in an activity prohibited by this policy shall be subject to disciplinary action, up to and including immediate termination of employment.

This policy is not intended to replace or otherwise alter applicable U.S. Department of Transportation obligations, or any other federal, state or local agency drug testing regulations related to a particular industry.

ETHICS

SKG is committed to providing a work environment governed by the highest ethical and legal standards. In all situations you are expected to conduct your activities with integrity, ethically and in accordance with applicable laws and regulations.

Part of maintaining an ethical workplace is providing Employees the opportunity to provide honest feedback. The Company will not tolerate retaliation of any kind against an employee who reports in good faith a violation of law or of this policy.

SKG encourages you to report any actual or potential violations of applicable laws or regulations and any unethical, dishonest, or improper conduct to your supervisor, the Dealer Principle or SKG’s Human Resources Department. If you are uncertain as to whether there are any laws or regulations that may impact your work, you are responsible for requesting guidance from your supervisor or SKG’s Human Resources Department.

GUIDELINES FOR APPROPRIATE CONDUCT

In order to conduct the operations of SKG efficiently and professionally, all Employees are to follow the rules of conduct that will protect the interests and safety of all Employees and the Company. All Employees are expected to always act in a professional manner including during interactions with customers, co-workers, management, and the general public.

Although it is not possible to list all forms of inappropriate behavior and conduct, the following are examples that are considered inappropriate and may result in disciplinary action up to and including termination of employment:

- Falsifying employment or other Company records;
- Violating the Anti-Harassment policy;
- Violating certain state, federal or local laws and regulations;
- Violating security or safety rules or failing to observe safety rules or safety practices; failing to wear required safety equipment; tampering with equipment or safety equipment;
- Soliciting gratuities from customers or clients;
- Displaying excessive or unexcused absenteeism or tardiness;
- Possessing firearms, weapons, or explosives on Company property without authorization, in violation of policy, or while on duty;
- Using the Company's property and supplies, particularly for personal purposes in an excessive, unnecessary or unauthorized way;
- Negligent damage of property;
- Violating the Violence in the Workplace policy;
- Violating the Drug-Free Workplace policy;
- Committing theft or unauthorized possession of Company property or the property of fellow Employees; possessing or removing any Company property, including documents, from the premises without prior permission from the management; using Company equipment or property for personal reasons without proper authorization; using Company equipment for profit;
- Giving confidential or proprietary information to competitors or other organizations, or to unauthorized Employees; working for a competing business while an employee of the Company; breaking confidentiality of personal information;
- Engaging in abusive conduct, or bullying, such as using obscene, abusive, or threatening language or gestures or other verbal or physical conduct a reasonable person would find threatening, intimidating, or humiliating;
- Engaging in malicious acts such as gossip and/or rumors, derogatory remarks, insults, and epithets; engaging in behavior that creates discord and lack of harmony;
- Interfering with another employee on the job, restricting work output or encouraging others to do the same, unwarranted sabotage or undermining another's work;
- Soliciting, selling, or collecting funds for any purpose while on working time (not including meals and authorized breaks). Employees who are not on working time shall not interfere with the work of Employees who are on working time.

Where appropriate, supervisors will follow a process of progressive employee discipline. Before or during the application of any discipline, Employees may be given an opportunity to relate their version of the incident or problem and provide an explanation. Examples of progressive employee discipline include:

- Verbal Counseling - A conversation with an employee explaining that the employee's conduct or poor performance is unacceptable and repeated or continued unacceptable conduct or performance will result in more severe disciplinary action. A record of the notice of the verbal counseling may be made and retained in the employee's personnel file.
- Written Counseling - A written document or memo that describes the unacceptable conduct or performance of the employee and specifies needed changes or improvements. A copy of the written counseling generally will be retained in the employee's personnel file.
- Termination - If an employee fails to follow acceptable conduct or performance standards, the Company may terminate the employee's employment.

Depending on the specific circumstances, the Company may suspend or terminate an employee without prior discipline, or without following a particular order of discipline.

PROHIBITED USE OF RECORDING DEVICES

To encourage open channels of communication among Employees and to ensure the privacy of our Employees, clients, and customers, and the integrity of our business information, you may not secretly tape, record, or videotape, any conversation, communication, activity, or event.

From time to time, the need of recording a meeting might occur. The recording of Teams meetings, training and the like are allowed with the following guidelines:

- participants are notified
- no personnel information is being discussed
- no project information that is under a Non-Disclosure Agreement (NDA) is discussed.
- if it is a client meeting- advanced notice might be required by the client or might be prohibited by the client.

The following instances are prohibited from being recorded:

- employee touch points
- performance reviews of any kind
- any discussion of healthcare related topics
- disciplinary calls of any nature
- project information under a Non-Disclosure Agreement (NDA)
- Third parties either doing business with or connected to SKG, including legal counsel, auditors and regulatory officials.

TOBACCO-FREE WORKPLACE

SKG is committed to providing all Employees with a safe and healthy work environment. All Company premises are smoke-free. Smoking a cigarette, cigar, e-cigarette, or pipe or any other form of tobacco, as well as the chewing of tobacco, is not allowed. This policy includes client offices and worksites.

VIOLENCE IN THE WORKPLACE

SKG is committed to providing a safe workplace for Employees, customers, vendors, volunteers, independent contractors and others with whom we do business. The Company has zero tolerance for violent acts or threats of violence.

You are expected to conduct yourself in a non-threatening, non-abusive manner at all times. Any direct, conditional or veiled threat of harm to any employee, guest or Company property will be considered unacceptable behavior. Acts of violence, intimidation or bullying of others will not be tolerated.

All Employees share the responsibility in identifying and alleviating threatening or violent behaviors. Anyone who is subjected to or threatened with violence, or who is aware of another individual who has been subjected to or threatened with violence, is to immediately report this information to his/her supervisor or the SKG Human Resources Department. You must assume that any threat is serious. The Company will carefully investigate reports and maintain employee confidentiality to the fullest extent possible.

SKG will take disciplinary action, up to and including termination, and/or legal action as appropriate, against any employee who commits or threatens to commit a violent act against any person while on Company premises or while engaged in Company business off the premises.

WEAPONS

SKG strives to provide a safe and secure workplace for Employees, clients, customers, and visitors. The Company has zero tolerance for and forbids the possession of any type of weapon, firearm, explosive, and/or ammunition while on Company property or conducting Company business. For purposes of this policy, Company property includes, but is not limited to, all Company facilities, Company-provided vehicles, and equipment that are either leased or owned by the Company or a Company client.

Possession of firearms or other weapons may be cause for discipline, including, but not limited to, the immediate termination of employment. In enforcing this policy, SKG reserves the right to request inspections of any employee and their personal effects while on Company property, to the extent allowable under applicable law. Any employee who refuses to allow an inspection will be subject to the same disciplinary action as having been found in possession of firearms or other weapons.

In the event an employee lawfully possesses a firearm, the employee can store the firearm in the employee's personal vehicle while in Company-provided parking areas; however, the firearm must be stored in the employee's locked vehicle, or locked to the vehicle, and hidden from plain view.

Employees share the responsibility of identifying violators of this policy. If you either witness or suspect another individual of violating this policy, you should immediately report this information to their onsite supervisor or the SKG Human Resources Department.

WHISTLEBLOWER

A whistleblower as defined by this policy is an employee of SKG who reports an activity that the employee considers to be an illegal or dishonest business activity. A whistleblower is not responsible for investigating the activity or for determining fault or corrective measures; appropriate management officials are charged with these responsibilities.

Examples of illegal or dishonest activities include but are not limited to, violations of federal, state, or local laws; billing for services not performed or for goods not delivered; and other fraudulent financial reporting.

If you have knowledge of or concern about illegal or dishonest fraudulent activity, you are to contact your immediate supervisor or the Human Resources Department. Employees are expected to exercise sound judgment to avoid baseless allegations. An employee who intentionally files a false report of wrongdoing will be subject to disciplinary action, up to and including termination of employment.

Whistleblower protections are provided in two important areas -- confidentiality and protection from retaliation against an employee who makes such a report. To the extent possible, the confidentiality of the whistleblower will be maintained. However, the whistleblower's identity may have to be disclosed to conduct a thorough investigation, comply with the law, and provide accused individuals their legal rights of defense. Additionally, SKG does not condone retaliation of any kind. A whistleblower who believes he/she has been retaliated against must contact the SKG Human Resources Department immediately. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

All reports of illegal and dishonest activities will be promptly submitted to the SKG Human Resources Department which is responsible for investigating and coordinating any corrective action needed.

If you have questions regarding this policy, contact the SKG Human Resources Department.

HOURS AND COMPENSATION

Additional hours and compensation policies for the states of Texas, see addendum.

ERROR IN PAY

SKG will make every effort to ensure that you receive the correct amount of pay in each paycheck and that you are paid on the scheduled payday.

You should review your paycheck when received and, if you believe an error has been made, contact your supervisor and SKG Human Resources Department immediately. All necessary steps will be taken to research the problem and to assure that any necessary correction is promptly made.

EXEMPT EMPLOYEE REDUCTION OF SALARY

Exempt Employees are paid on a salary basis and, in general, must be paid their full salary for any week they perform work. Their weekly salary may be reduced only in the following circumstances:

- Employees who are absent for at least a full day because of personal reasons, sickness or disability will not be paid for that day unless they have accrued paid time off under the SKG paid time off, vacation, sickness or disability policy and the absence qualifies for pay under the policy. Their salary will not be reduced for less than a full day because of personal reasons, sickness, or disability.
- Employees who are absent from work for jury duty, attendance as a witness or military leave may have their salary reduced by the amount of payment they receive in the form of jury fees, witness fees or military pay. Their salary will not be reduced by the number of hours or days they are absent unless they perform no work during a given week.
- Employees who work less than 40 hours during their first and/or last week of employment will be paid a proportionate part of their full salary for the time actually worked.
- Employees who take leave under the Family and Medical Leave Act will not be paid for that time unless they have accrued paid time off under the Company paid time off, vacation, sickness or disability policy, if any. Their salary will be reduced by the hours missed, even if it is for less than a full day.
- Employees who violate a safety rule of major significance may have their salary reduced in an amount to be determined by the Company as a penalty for that violation.
- Employees may be suspended without pay for other types of workplace misconduct, but only in full day increments. This refers to suspensions imposed according to a written policy applicable to all Employees regarding serious misconduct, including, but not limited to, workplace harassment, violence, drug and alcohol violations, legal violations, etc. The possibility of unpaid suspensions is included in all similar policies.

This policy is subject to applicable state law regarding the reduction of exempt Employees' salaries if the state law is more favorable to Employees.

Prohibited Reductions/Complaint Procedure

Any salaried exempt employee whose salary is reduced in violation of this policy will be reimbursed. If you feel your salary has been improperly reduced, please notify the SKG Human Resources Department. No employee will be penalized in any way for making a complaint.

This policy is intended solely to implement Fair Labor Standards Act (FLSA) regulatory requirements, and applicable state law will be applied and modified as necessary in accordance with the requirements and is not to be considered any type of contract.

COMMISSIONED EMPLOYEES

SKG pays commissions to certain employees based on sales procured. The Company reserves the right to change commission rates and/or profit margin requirements as needed to protect the financial integrity of the Company.

Commissions are paid every other month and only on final sales that have been paid in full. To be paid commissions, you must be employed at the time of the commission pay out to receive any commissions.

HOURS OF OPERATION

Normal operating hours for SKG are from 8 am to 5 pm, Monday through Friday. Warehouse employees work from 7am to 4pm, however, depending on department and job requirements, your scheduled workday may begin as early as 6:00 a.m. and/or go as late as 12:00 midnight. These hours may vary depending upon your position and work requirements. If applicable, your supervisor will provide direction for lunch and rest breaks in order to facilitate the smooth flow of business and to maintain an adequate number of staff.

Give your supervisor as much advance notice as possible for any schedule changes.

OVERTIME FOR NONEXEMPT EMPLOYEES

Depending on the Company work needs, Employees will be required to work overtime when requested to do so. Nonexempt Employees will be paid overtime premiums at the applicable federal or state wage rate, whichever is higher. You are responsible for clearly noting all hours worked, including any overtime hours, on your timesheet.

It is our policy that no overtime can be worked without the advance approval of your supervisor. Failure to obtain approval in advance of working the overtime is a violation of Company policy and you may be subject to disciplinary action.

If, during a workweek, you are away from the job because of an injury, paid holiday, jury or witness duty, sick day or vacation day, those hours not worked will not be counted as hours worked for the purpose of computing overtime pay, even if you receive pay such as sick or vacation pay for such time missed.

Prohibited “Off the Clock” Work

Employees are not to work “off the clock” and are required to ensure that all time worked is properly recorded. If you are given directions to perform work “off the clock,” you should promptly notify your supervisor. If your supervisor has given you directions to work “off the clock” and/or has told you not to properly record all hours worked, you will not be penalized in any way for making such a complaint.

PAY PRACTICES

For overtime calculations and salary administration, the fixed 7-day "workweek" for SKG is the period beginning at 12:01 a.m., Monday, and ending at 11:59 p.m., Sunday. All Employees will be paid bi-weekly every other Friday. For paydays falling on a weekend or holiday, you will be paid the prior business day.

If your employment ends, you will be paid your final wages in accordance with applicable state law.

TIMESHEETS

Accurately reporting time worked is the responsibility of every employee in order for SKG to calculate employee pay and benefits. All Employees are required to accurately complete a timesheet reflecting all time worked and time away from work. You must submit it to your supervisor for approval.

Any discrepancies regarding overtime should be resolved by your supervisor before submitting your hours. You may not work “off the clock” and if you are asked to do so, you should immediately report this to management.

OPERATIONS

APPEARANCE

All Employees are to exercise sound business judgment regarding grooming, neatness, and personal hygiene when reporting for work and engaging in work-related activities. Employees are expected to dress in a manner consistent with both the workplace and the type of work performed.

Employees required to wear a uniform must always keep it clean and neat. Shirts should be tucked into trousers. Only regulation shoes and other specified garments or accessories may be worn with the uniform.

Employees not required to wear a uniform must dress in professional attire. The Company does not condone casual attire at the office and/or while conducting Company business. An Employee determined to be in violation of the policy on standards of appearance will be asked to leave the office and return in appropriate attire.

General guidelines for appropriate standards of appearance are outlined below; however, the Company retains the right to determine, in its sole discretion, whether a particular item or appearance is appropriate for the workplace.

All Employees are required to maintain a high standard of personal hygiene. Hair is to be clean, neatly groomed, and conservatively styled. Personal items such as combs, and handkerchiefs must be kept out of sight. Inappropriate body piercings and tattoos must not be visible. Employees working near equipment may be required to remove jewelry for safety reasons. Jewelry and accessories may be worn if conservative in style and appearance. Hair styles should not be distracting or unsafe.

Men should wear slacks, a dress shirt, or a golf shirt, along with dress shoes. Moustaches, sideburns, and beards are permitted, provided they are conservative and neatly trimmed.

Women should wear slacks or skirts of conservative length, with a dress shirt or blouse, with dress shoes or appropriate sandals.

Items not appropriate for work activities include the following: t-shirts, halter tops; shorts, sweatpants, or other workout clothes; running shoes, flip flops or ball caps other than those issued as part of an SKG uniform.

Some individuals have sensitivities or allergies to fragranced products: perfumes, colognes, powders, soaps, and lotions. If you use these items, use them in moderation and with consideration to those around you.

SKG will consider reasonable accommodations to appearance standards for medical and/or religious reasons. Contact your supervisor if you have a request for an accommodation in this area.

VIDEO MEETING PROTOCOL

Practicing professional meeting etiquette is critical to ensuring SKG meetings are efficient and effective. With increased usage of video conferencing platforms, SKG requires all Employees to appear on video conferences just as they would in an in-person meeting.

General guidelines for video meetings are outlined below:

- Employees utilize cameras during all internal and external meetings.
- Employees must not sloppy. They should dress for their audience as they would when meeting face-to-face. They must wear clean and professional clothing for all meetings, video calls included. Employees must always adhere to the Company's dress code, including video conferences.
- Employees must make sure their surroundings are visually pleasing and organized. At a minimum, they must ensure the area is well-lit using natural light or overhead light.
- Wall decorations and any other visible objects should be work appropriate.
- If any of the background surroundings do not meet these guidelines, employees must use the background features available within the video conferencing platform.
- Employees must avoid eating and drinking when leading or speaking.
- Employees must test the hardware, software, and network connectivity beforehand. They must make sure the internet, microphone, speakers, and headphones work before joining the call. They must position the camera properly. The camera should be at eye level.
- Employees must mute the microphone during the call while they are not talking or presenting.
- Employees must be mindful of background noise in their work area.
- Employees must avoid multitasking. They must keep other tasks to a minimum while on a call. It is very easy for other participants to notice when they are not fully focused and attentive during the call.
- Employees must use the "raise your hand" and chat options for questions.
- If the employee is the meeting host, they should stick around to ensure all participants leave the meeting before ending the call.

EMERGENCY OFFICE CLOSING

SKG may close Company facilities to protect Employees' well-being and safety during periods of severe weather, utility failure, national crisis, fire, flood, earthquake, or some other emergency.

In the event the SKG office will be closed due to extreme weather conditions, management will announce that the office is closed by sending an email or a text via Text Magic, as soon as the determination is made on the day of the closing. If the office is closed for a full day or more, non-exempt Employees will not be paid, but they will have the option to use any accrued but unused paid time off.

EMPLOYEE SAFETY AND HEALTH

Our Employees are our most valuable resource, and their safety is most important to us. You are expected to report all job-related injuries or illnesses to your supervisor immediately, regardless of severity. You are also expected to:

- Obey safety rules.
- Follow safe job procedures and not take shortcuts.
- Keep work areas clean and free from slipping or tripping hazards.
- Use prescribed personal protective equipment.
- Report all safety hazards or malfunctions to a supervisor immediately.
- Use care and proper technique when lifting and carrying objects.
- Observe restricted areas and all warning signs.
- Know and follow emergency procedures.
- Report unsafe conditions to supervisors.
- Report every accident and injury to a supervisor promptly.
- Follow the care prescribed by the attending physician when treated for an injury or illness.
- Attend all employee safety meetings.
- Cooperate fully in accident investigations; serve on safety committee or other loss control activities as needed.

If you have reported a safety issue to your supervisor and you feel that the issue has not been appropriately addressed, you should report the issue to Human Resources.

To maintain a safe and healthy workplace, both management and Employees must work diligently to promote safety.

SOLICITATIONS AND DISTRIBUTION OF LITERATURE

SKG strives to maintain a professional environment and prevent interference with work and inconvenience to others from solicitations and/or distribution of literature.

The following guidelines apply throughout the Company:

- Group meetings for solicitation purposes during work time or in work areas are prohibited. This guideline does not pertain to Company-sponsored meetings.
- Distribution or circulation of literature or other materials during work time or in working areas is prohibited.
- Employees are not to engage in the solicitation of other Employees during work time or in working areas.
- Employees must have management approval to post information on the Company's bulletin board.
- Non-Employees are prohibited from trespassing, soliciting, or distributing literature on Company premises.

WORKPLACE ACCIDENTS AND WORKERS' COMPENSATION INSURANCE

All accidents, injuries, potential safety hazards, safety suggestions and health and safety-related issues must be reported immediately to your supervisor and/or Human Resources. If you or another employee is seriously injured, contact outside emergency response agencies. No matter how insignificant an injury may seem at the time of occurrence, you are to notify a supervisor or SKG's Human Resources Department immediately of any workplace accident or injury.

The federal law, Occupational Safety and Health Administration (OSHA) requires that we keep records of all illnesses and accidents, which occur during the workday. Employees are required to report any workplace illness or injury, no matter how slight. OSHA also provides for your right to know about any health hazards that might be present on the job. Should you have any questions or concerns, contact your supervisor or SKG's Human Resources Department for more information.

Questions regarding workers' compensation insurance coverage should be directed to your supervisor.

EXPENSE REIMBURSEMENT

Shelton Keller Group (SKG) recognizes that employees will incur expenses on behalf of the company. SKG appreciates employees' willingness to take on business expenses and will gladly and promptly reimburse all reasonable, necessary, and documented expenses.

This document outlines what constitutes reasonable and necessary expenditures and provides a consistent procedure for expense report preparation, approval, and submission.

When incurring business expenses, employees should:

- Exercise discretion and good business judgment
- Be cost-conscious and spend strategically.
- Plan travel ahead of time.
- Submit expenses with supporting documentation through Abacus (refer to the SKG Employee Expense Reimbursement Policy)
- Be aware of categories of non-reimbursable expenses (refer to the SKG Employee Expense Reimbursement Policy).

Procedure:

Expense Reimbursement Submission Deadline and General Requirements:

- Expense submissions received Tuesday by end of the business will be paid on Friday of that week. If the deadline is not met, expense reimbursement will be paid the following week.
- Expenses must be submitted within 30 days of incurring the expense.
- Expense should include Sales Order Number (SO#) if expenses are directly associated with an order
 - * One SO# per expense
 - * Entire expense will be costed to that SO#

COMMUNICATIONS

COMPLAINT RESOLUTION PROCEDURE

SKG is committed to providing a comfortable and productive work environment for Employees. It is important that your concerns are resolved in a timely manner in an atmosphere of open communication and mutual respect. You are encouraged to follow the process below for bringing concerns to management for resolution. Employees will not be penalized for taking advantage of this procedure.

First, discuss the problem with your supervisor. If you do not believe a discussion with your supervisor is appropriate, request a meeting with a Human Resources.

Additionally, the Anti-Harassment Policy in this handbook outlines procedures for Employees to report complaints of harassment and discrimination.

INTERNET CODE OF CONDUCT

Access to the Internet has been provided to Employees for the benefit of the organization. It is your responsibility to use the Internet in a productive manner. The following guidelines have been established for using the Internet.

Acceptable Use of the Internet

You should use the Internet in an effective, ethical and lawful manner. You may use the Instant Messaging Systems and Internet Forums to conduct official Company business or to gain technical or analytical advice. Databases may be accessed for information as needed. Email may be used for business contacts.

Unacceptable Use of the Internet

It is strictly prohibited for you to use the Internet while working for personal gain. Use of the Internet while on Company time must not interfere with your productivity or disrupt the operations of the Company network or the network of other users.

Communications

You are responsible for the content of all text, audio or images that you place or send over the Internet including, but not limited to, any Web-based sites or programs utilized through the Company. Employees are prohibited from posting statements, photographs, video or audio that reasonably could be viewed as malicious, obscene, and threatening or intimidating; that disparage clients, Employees, or vendors; or that might constitute harassment or bullying. Examples of this conduct might include offensive posts meant to intentionally harm someone's reputation or posts that could contribute to a hostile work environment on the basis of race, sex, disability, religion or any other status protected by law or Company policy.

Except to the extent that you are discussing your wages, hours, or terms and conditions of employment, the following guidelines apply: All messages communicated on the Internet should

have your name attached to them if they mention or refer to SKG in any way. No messages regarding or relating to the Company are to be transmitted under an assumed name. Employees may not transmit messages or other communication by means that either mask or hide their identity or indicate that they are sent by someone else if it contains information regarding the Company's business.

Software and Copyright Issues

SKG intends to prevent computer viruses and unauthorized use of copyrighted materials belonging to entities other than the Company. You should obtain prior approval before downloading any software. Users are not permitted to copy, transfer, rename, add or delete information or programs belonging to other users unless given express permission to do so by the owner. Failure to observe copyright or license agreements may result in disciplinary action from the Company, up to and including immediate termination or legal action by the copyright owner.

Confidentiality and Passwords

While our systems may accommodate the use of passwords for Company security, you should not expect confidentiality of your files at work. SKG reserves the right to access your Internet use and messages at any time, without notice.

Never disclose personal or system passwords to anyone other than authorized Company representatives. You are not to attempt to gain access to another employee's system, including email or voice mail messages.

Security

All messages created, sent or retrieved over the Internet are the property of the Company and are not private. The Company may access and monitor all messages and files on the computer system at any time. All communications, including text and images, can be disclosed to law enforcement or other third parties without prior consent of the sender or the receiver.

Harassment

Harassment of any kind is prohibited. Messages with derogatory or inflammatory remarks about an individual or group's race, color, religious creed, sex, national origin, ancestry, citizenship status, pregnancy, childbirth, physical disability, mental and/or intellectual disability, age, military status or status as a Vietnam-era or special disabled veteran, marital status, registered domestic partner or civil union status, gender (including sex stereotyping and gender identity or expression), medical condition (including, but not limited to, cancer related or HIV/AIDS related), genetic information or sexual orientation will not be permitted.

Violations

Violations of any guidelines listed in this policy may result in disciplinary action, up to and including immediate termination. If necessary, the Company will advise appropriate legal officials of any illegal violations.

SOCIAL MEDIA

Social media refers to sites including, but not limited to, Facebook, Instagram, LinkedIn, Twitter, YouTube, etc., as well as blog postings. Social media can include written information, photos, drawings, videos, other graphic or audio content, Internet message boards, chat rooms, web pages, or any similar form of communication.

All Employees are expected to follow these guidelines when using social media:

- Maintain the confidentiality of SKG's trade secrets and private, proprietary, or confidential information. Trade secrets may include information regarding the development of systems, processes, products, know-how, and technology. Do not share or post internal reports, policies, procedures, or other internal business-related confidential communications or work products.
- Do not make any reference to the Company's clients, partners, or customers without express written consent.
- You are not authorized to represent the Company in online communications unless assigned as part of your responsibilities or given express permission in writing by an officer of the Company.
- Do not post inappropriate postings that may include discriminatory remarks, harassment, and threats of violence, bullying, retaliation, or similar inappropriate or unlawful conduct. The Company's Equal Employment and Anti-Harassment policies apply to all social media communication.

If you use social media outside of the work environment, we suggest the following guidelines:

- Use sound, professional judgment if you identify yourself as associated with SKG
- Be respectful to the Company, other Employees, customers, partners, and competitors. Respect copyright laws and reference or cite sources appropriately. Plagiarism applies online, as well. If you are unsure about whether a message would violate Company policy, speak with your manager or supervisor before posting it.
- If SKG is a subject of the content you are creating, clearly and conspicuously disclose your relationship with the Company and clarify that you are not authorized to make statements on behalf of the Company.
- Make sure you are always honest and accurate when posting information or news pertaining to the Company. If you make a mistake, correct it quickly. Never post any information or rumors that may be false about the Company, co-workers, or customers.
- Do not use SKG's email addresses to register on social networks, blogs, or other online tools utilized for personal use. The Company requires all Employees who participate in such activities to comply with all Company guidelines and policies, including, but not limited to the Anti-Harassment policy.

While on work time or while using Company-provided equipment, only use social media for work-related activities as authorized by your manager or consistent with the Internet Code of Conduct policy and the Use of Communication Systems policy.

Nothing in this policy or in any other Company guideline and/or policy is intended to prohibit any employee from receiving communication or engaging in activities that are protected by law. Examples include, but are not limited to, communications between Employees related to wages, hours, and other terms and conditions of employment.

USE OF COMMUNICATION SYSTEMS

SKG provides the communication systems necessary for you to conduct business. You are expected to adhere to proper use of all communication systems. These include, but are not limited to, the telephone, email, wireless communication devices, iPads, tablets, facsimile, Internet access and other external network connections, network file share and storage systems, wide area network, Company intranet, voicemail, computers, modems, systems, audio/visual equipment, and other software and equipment.

The Company's computing and communications systems are to be used in a productive manner primarily for the Company business.

Any emails, files, or documents, whether in electronic or paper form, are Company property and should never be destroyed or deleted unless consistent with the Company's policies surrounding such property.

No Privacy Expectations

You should have no expectation of privacy of any correspondence, messages or information located or sent across in the Company's computing and communication systems, regardless of the content or purpose. This includes email, social media sites, text messages, chat messages, internet searches and stored documents.

The Company may access, monitor, copy, capture, disclose, delete, and use any communication, information or data, whether personal or business related, that is created on, stored on (permanently or temporarily), viewed on, downloaded or uploaded to, accessed by, printed from, or communicated across the Company's computing and communication systems with or without notice to the employee. This includes instances where Employees transmit or receive text or instant messages on Company devices. All messages, regardless of content or the intent of the sender, are a form of Company correspondence, and are subject to the same internal and external regulation, security and scrutiny as any other Company correspondence.

You should not save Company documents on your desktop. All Company documents should be saved on the S: Drive in the assigned folder.

Email communications must be written following customary business communication practices as is used in correspondence. Email communications are official internal Company communications, which may be subject to summons in legal proceedings. Work-related messages should be directed to the specific employee(s) rather than sending a global message to all Employees. It is the employee's obligation to notify any third parties affected by this policy of the Company's policies regarding monitoring employee communications.

Communication systems shall not be used as a forum to promote religious or political causes, or an illegal activity. Offensive or improper messages or opinions, transmission or postings of sexually explicit images or other images or materials inappropriate for the workplace, messages, cartoons, or other such items, or messages that may be construed as harassment or disparagement of others based on race, color, religious creed, sex, national origin, ancestry, citizenship status, pregnancy, childbirth, physical disability, mental/intellectual disability, age, military status or status as a Vietnam-era or special disabled veteran, marital status, registered domestic partner or civil union status,

gender (including sex stereotyping and gender identity or expression), medical condition (including, but not limited to, cancer related or HIV/AIDS related), genetic information or sexual orientation are also prohibited.

Unless authorized by personnel with the authority to grant such authorization, any attempt to gain access to another employee's personal communications system and messages is prohibited.

WIRELESS COMMUNICATION DEVICE USE GUIDELINES

SKG provides wireless communication devices, including hands-free devices, to Employees who have a job-related need for them. These devices are the property of SKG.

The following guidelines must be followed:

- Employees are expected to carry wireless communications devices as directed by their supervisor.
- Employees are responsible for lost or stolen wireless communications devices and must report such losses immediately.
- Upon termination of employment for any reason, the employee must return all Company-issued property.

Safety Concerns

The Company values its Employees and the safety of others and expects Employees to put safety first while driving. Employees are prohibited from using wireless communication devices while driving unless using a hands-free device. Texting (including composing, sending, or reading) while driving is strictly prohibited. You are strongly encouraged to pull off to the side of the road and park the vehicle in a safe location before placing or accepting a call or before reading or writing an e-mail or text message. You should take special care in situations where there is heavy traffic, inclement weather or you are driving in an unfamiliar area.

You are expected to know and follow all local and state laws related to using communication devices while driving. Employees are responsible for all traffic violations and consequences resulting from the use of communication devices while driving.

No Use of Camera Phone

Use of the camera feature on cellular phones or other communication devices presents risks to the Company, potentially compromising customer information, trade secrets, or the privacy of your co-workers. Use of this feature is banned from restrooms, locker rooms, laboratories, manufacturing areas, etc.

MEDIA CONTACT

You are to refer all requests for information, interviews, photographs, or videos by the news media to the Dealer Principle. Only Employees, consultants, and other business associates that are designated by the Dealer Principle may speak on behalf of the Company.

EMPLOYEE BENEFITS

HOLIDAYS

Full-time Employees are eligible for paid holidays during each calendar year. A paid holiday does not count as a day worked in calculating overtime for the week.

SKG observes the following ten (10) holidays each year:

New Year's Day (January 1)
Good Friday (Friday before Easter Sunday)
Memorial Day (last Monday in May)
Independence Day (July 4)
Labor Day (first Monday in September)
Thanksgiving (fourth Thursday in November)
Day after Thanksgiving
Christmas Eve (December 24)
Christmas Day (December 25)
New Year's Eve (December 31)

A recognized holiday that falls on a Saturday will be observed on the preceding Friday and a recognized Sunday holiday will be observed on the following Monday.

Employees who are absent on the day before or the day after a holiday will not be paid holiday pay unless the absence is excused.

PAID TIME OFF (PTO)

OVERVIEW

Paid Time Off is an employee benefit provided by SKG for eligible, full-time Employees to maintain earnings levels while away from work for vacation, illness, or other personal obligations.

ELIGIBILITY

Eligibility to accrue PTO is contingent upon the employee working or utilizing accrued PTO for the entire bi-weekly pay period.

Part-Time employees, temporary employees, contract employees, and interns are not eligible for PTO.

EARNING PTO

PTO accrues annually prorated on a bi-weekly basis, from the date of hire, according to the table below. The accrual schedule below is effective January 1, 2023.

Years of Service	Accrual rate per pay cycle	Maximum annual carry-over	Annual PTO Accrual
0-1	3.08	40	10 days
1-3 years	4.62	40	15 days
3-7 years	5.23	40	17 days
More than 7 years	6.15	40	20 days

PTO time must be exhausted before requesting unpaid leave.

Employees will not earn PTO when taking any of the leave types below:

- Unpaid Leave
- Short-Term Disability
- Long-term disability
- Worker’s compensation Leave
- FMLA

REQUESTING PTO

PTO requests are subject to Supervisor approval and PTO must be approved in advance. Unscheduled absences occasionally cannot be avoided. As a professional courtesy to your co-workers, please schedule and request PTO with as much advance notice as possible.

Employees classified as exempt (Salaried) may take time off in half-day (4 hour) or full-day (8 hour) increments. Non-exempt (Hourly) Employees should record time off in time increments to the quarter hour: 1.0 hours, 1.25 hours, 1.5 hours, 1.75 hours.

An earned PTO balance is not a guarantee of approved time off. Business needs dictate minimum levels of departmental coverage throughout the year. Requests for summer vacation and holiday time off can create operational challenges and not every employee request will be approved.

If PTO requests are received simultaneously and those concurrent absences create departmental or business challenges, preference and consideration may be given to the Employee with the most tenure. However, previously approved PTO will not be bumped should a more tenured employee submit a PTO request.

PAYING PTO

Approved PTO days are paid on the regular pay cycle and are based on straight-time rates. No overtime hours are considered when paying or earning PTO. PTO days are not considered hours

worked when calculating overtime hours.

If previously approved PTO must be canceled due to the needs of the Company and the Employee is unable to reschedule the time off within the calendar year, the Company reserves the option of paying the Employee for the value of the canceled PTO.

CARRYING OVER PTO

PTO is a “use it or lose it” benefit. No more than 40 hours of earned but unused PTO can be carried over from one calendar year to the next. Employees have until March 31 of the following year to use hours carried over from the previous year.

Employees are responsible for monitoring and using PTO over the course of a calendar year to avoid forfeiting PTO balances.

At any time, regardless of circumstances, Employees may not exceed a deficit PTO balance greater than 24.00 hours. All deficit balances are subject to Supervisor approval. Any approved and taken time off that would otherwise create a deficit PTO balance beyond 24.00 hours will not be compensated.

If PTO requested includes calendar days in the next year AND those days are included in a pay period that began in the prior year, those days will be deducted from available PTO from previous year, before a carryover balance is calculated. If the time off is in a pay period that begins in the new year, the time off will be deducted after the carryover balance is calculated.

PTO accrued prior to the start of a requested and approved unpaid leave of absence must be used to cover hours missed before the start of the unpaid leave.

EMPLOYEE SEPARATION

PTO balances are not paid out upon employee separation.

Employees using unearned PTO prior to termination date will have unearned PTO deducted from their final payroll calculation.

BIRTHDAY PTO POLICY

Effective January 1, 2023, employees will be able to take paid time off for their own birthday. This is in addition to regular PTO and Company holidays. If your birthday falls on a Saturday or Sunday OR on a Company holiday, you may take the next regular business day off. **This leave must be taken on or the next business day following the employee’s birthday.** Employees should follow the regular PTO procedure to request birthday time off and it should be submitted as “Birthday PTO”.

PARENTAL LEAVE

Parental Leave under this policy is a paid leave associated with the birth of an employee's own child or the placement of a child with the employee in connection with adoption or foster care. Paid Parental leave is not charged against the employee's other paid leave credits (i.e. PTO.) and the amount of paid days received is fifteen (15) days. The paid leave is compensated at 100 percent of the salary. *

*This benefit will not be applied against draws of Sales personnel.

If both parents are employees, only one parent may access the paid benefits of this policy. Both, however, continue to be entitled to unpaid family and medical leave as required by the Family Medical Leave Act.

Temporary employees are not eligible for paid maternity/paternity/adoption leave under this policy.

Eligibility

Eligible employees must meet the following criteria:

Have been employed with the Company for at least 12 months.

Have worked at least 1,250 hours during the 12 consecutive months immediately preceding the date the leave would begin.

Be a full-time regular employee (temporary employees and interns are not eligible for this benefit).

In addition, employees must meet one of the following criteria:

Have given birth to a child.

Be a spouse or committed partner of a woman who has given birth to a child.

Be an individual recognized by law as a parent of a newborn child.

Have adopted a child or been placed with a foster child (in either case, the child must be age 17 or younger). The adoption of a committed partner's child is excluded from this policy.

Continuation of Benefits

Health insurance benefits will continue to be provided during the paid Parental Leave under this policy at the same rate as in effect before the leave was taken regardless of the length of service, provided the employee has at least one full year of service. Paid leave benefits will continue to accrue.

Requirements for Obtaining Paid Leave

The employee must provide to the Human Resources Department and supervisor 30 days' notice of the requested leave (or as much notice as practicable if the leave is not foreseeable), complete the necessary forms, and file them with the Human Resources department.

After the fifteen (15) days of paid Paternal leave have been exhausted, subsequent leave may be covered under appropriate policies. The Family and Medical Leave Act (FMLA) allows employees up to 12 work weeks of unpaid leave annually. Paid leave under this policy will run concurrently with FMLA leave.

After Parental Leave is exhausted, the employee may use any other available paid leave of their choosing (i.e., accrued PTO)

Additional Conditions of Paid Parental Leave

Approved paid parental leave may be taken at any time within a two (2) month period immediately following the birth, adoption, or placement of a child. Paid parental leave may not be used or extended beyond this 2-month time frame.

Employees must use all paid parental leave during the 2-month time frame indicated above. Any unused

paid paternity leave will be forfeited at the end of the 2-month time frame.

Parental leave may only be taken as a continuous block of time and may not be taken in partial days or intermittently.

Upon termination of the individual's employment at the Company, the employee will not be paid for any unused paid parental leave for which he/she was eligible.

If a Company holiday occurs while the employee is on paid parental leave, the employee will not be paid for the holiday as they are on leave.

LEAVE OF ABSENCE

BEREAVEMENT LEAVE

Full-time regular Employees may take up to 5 days off work for the death of a spouse, registered domestic partner, civil union relationship, child, parent, sibling, or comparable step-relation, grandparent, father-in-law, mother-in-law, son-in-law, or daughter-in-law. You may take off two days of bereavement leave for the death of a relative who is not a member of your immediate family. Contact your supervisor as soon as reasonable to request time off for bereavement leave.

CONTINUATION OF BENEFITS

All active, full-time Employees covered by the Group Health Plan or the Health Care Flexible Spending Account (FSA) Plan may continue plan coverage for up to 12 weeks during an approved leave of absence, or for any longer period, as required by law.

While on leave, you must continue to pay any required contribution for health coverage, as well as make payments for any other applicable benefits which would otherwise be automatically deducted from your wages (e.g., supplemental life insurance, credit union loans, and 401(K) loans). Your failure to pay any required employee contributions does not relieve you of your obligation to pay such contributions.

If you do not return to work upon expiration of the applicable 12-week period (or such longer period as required by law), coverage will terminate, and you will have the opportunity to continue coverage for a limited period of time under COBRA in accordance with applicable law.

JURY DUTY AND WITNESS LEAVE

If you are summoned to jury duty or to appear in court as a witness, SKG will continue your pay in accordance with FLSA and applicable law. If you are summoned to jury duty, SKG will continue your pay for 3 days of jury service per calendar year. If you are required to serve more than 3 working days of jury service in a calendar year, you will be allowed additional time off without pay to complete the jury service. SKG will continue to pay for this extended period of service in accordance with FLSA and applicable law. You must notify your supervisor as soon as it is known your jury duty will be extended.

To qualify for either jury or witness duty leave, you must submit a copy of the summons to your supervisor as soon as it is received. In addition, you must also submit to your supervisor a related proof of service when the period of jury or witness duty is completed. No adverse employment action will be taken against Employees due to their service as either a juror or witness in state or federal courts.

MILITARY LEAVE OF ABSENCE

A leave of absence without pay for military or reserve duty or National Guard training will be granted to Employees. The employee should submit copies of military orders to his or her supervisor as soon as possible. The employee may use any accrued but unused vacation time or paid time off. Exempt Employees who perform any work in a week in which they also have military duty will be paid their full salary minus an offset for the military pay for the week. Eligibility for reinstatement following a military leave of absence will be determined in accordance with applicable federal and state laws.

PERSONAL LEAVE OF ABSENCE

You may be granted a leave of absence to attend to personal matters in situations in which the Company determines that an extended period of time away from the job will be in your and the Company's best interest.

Requests for a leave of absence or any extension of a leave should be submitted in writing to your supervisor at least 30 days prior to commencement of the leave period or as soon as is practicable. Your supervisor will forward the request to the appropriate manager recommending approval or denial. Management will make the final decision concerning the request. While on approved leave, you are expected to report any change of status in your need for leave or your intention to return to work.

You may be required to use all accrued paid time off while on leave before going on unpaid leave. For information on health care coverage during a leave of absence, refer to the Continuation of Benefits policy. Benefits that accrue according to length of service, such as paid time off, holiday, and sick days, do not accrue during periods of leave.

Upon return from a personal leave due to an illness or injury, you must provide a release to return to work. Any restrictions must be noted on the release. The Company will consider modifications or adjustments to help facilitate your return to work.

A personal leave of absence may not provide a guarantee of reinstatement to the same or similar position.

VOTING LEAVE - TEXAS

Employees are encouraged to fulfill their civic responsibility by voting in local, state, and national elections. SKG will honor Presidential voting days by providing its employees with a maximum of eight (8) hours of paid leave (democracy hours) to be used to support a candidate, work at a polling station or celebrate democracy on Election day. You can use the eight (8) hours in a minimum of two (2) hour increments and not necessarily in one day. The last day to use these hours is Presidential Election Day.

For non-presidential voting days, SKG will provide you with eight (8) hours of paid leave if you volunteer at a voting place, support a candidate working polling stations, etc.

To receive eight (8) hours of paid leave for non-Presidential voting days, you will need to provide proof of volunteering to Human Resources.

You are required to provide reasonable notice to your supervisor, and evidence of volunteering for non-presidential voting days will be required.

FAMILY MEDICAL LEAVE ACT (FMLA)

Leave Entitlements:

Eligible employees who work for a covered employer can take up to 12 weeks of unpaid, job-protected leave in a 12-month period for the following reasons: • The birth of a child or placement of a child for adoption or foster care; • To bond with a child (leave must be taken within one year of the child's birth or placement); • To care for the employee's spouse, child, or parent who has a qualifying serious health condition; • For the employee's own qualifying serious health condition that makes the employee unable to perform the employee's job; • For qualifying exigencies related to the foreign deployment of a military member who is the employee's spouse, child, or parent. An eligible employee who is a covered servicemember's spouse, child, parent, or next of kin may also take up to 26 weeks of FMLA leave in a single 12-month period to care for the servicemember with a serious injury or illness. An employee does not need to use leave in one block. When it is medically necessary or otherwise permitted, employees may take leave intermittently or on a reduced schedule. Employees may choose, or an employer may require, use of accrued paid leave while taking FMLA leave. If an employee substitutes accrued paid leave for FMLA leave, the employee must comply with the employer's normal paid leave policies.

Benefits and Protections:

While employees are on FMLA leave, employers must continue health insurance coverage as if the employees were not on leave. Upon return from FMLA leave, most employees must be restored to the same job or one nearly identical to it with equivalent pay, benefits, and other employment terms and conditions. An employer may not interfere with an individual's FMLA rights or retaliate against someone for using or trying to use FMLA leave, opposing any practice made unlawful by the FMLA, or being involved in any proceeding under or related to the FMLA.

Eligibility Requirements

An employee who works for a covered employer must meet this criterion in order to be eligible for FMLA leave. The employee must: •

- Have worked for the employer for at least 12 months;
- Have at least 1,250 hours of service in the 12 months before taking leave; and
- Work at a location where the employer has at least 50 employees within 75 miles of the employee's worksite.

Requesting Leave

Generally, employees must give 30-days' advance notice of the need for FMLA leave. If it is not possible to give 30-days' notice, an employee must notify the employer as soon as possible and, generally, follow the employer's usual procedures. Employees do not have to share a medical diagnosis but must provide enough information to the employer so it can determine if the leave qualifies for FMLA protection. Enough information could include informing an employer that the employee is or will be unable to perform his or her job functions, that a family member cannot perform daily activities, or that hospitalization or continuing medical treatment is necessary. Employees must inform the employer if the need for leave is for a reason for which FMLA leave was

previously taken or certified. Employers can require a certification or periodic recertification supporting the need for leave. If the employer determines that the certification is incomplete, it must provide a written notice indicating what additional information is required.

► Confidentiality, Non-Disclosure and Non-Solicitation

The purpose of the Confidentiality and Non-Disclosure policy is to protect the Company's interest in its Confidential Information and trade secrets from disclosure and to avoid liabilities in connection with the Company's obligation regarding third party confidential information.

This policy is applicable to all SKG team members, the “Company” or “SKG,” except as otherwise required by state law.

It is the policy of the Company that:

Non-Disclosure of Confidential Information. Team members shall not, directly, or indirectly, disseminate, make available or disclose any confidential information or proprietary data of the Company, unless and only to the extent such release or disclosure is required by any court or administrative agency (and then only after prompt notice to the Company to permit the Company to seek a protective order). For purposes of this policy, “confidential information or proprietary data” means information and data prepared, compiled, or acquired by or for team members during or in connection with a team member’s employment by the Company (including, without limitation, information belonging to or provided in confidence by any team member, customer, supplier, trading partner or other person or entity to which team members had access by reason of a team member’s employment with the Company) which is not generally known by and available to the public or which could be harmful to the Company if disclosed to persons outside of the Company. Such confidential information or proprietary data may exist in any form, tangible or intangible, or media (including any information technology-related or electronic media) and includes, but is not limited to, the following information of or relating to the Company or any of its customers or suppliers:

- A. Business, financial, and strategic information, such as sales and earnings information and trends, material, overhead and other costs, profit margins, accounting information, banking and financing information, pricing policies, capital expenditure/ investment plans and budgets, forecasts, strategies, plans and prospects.
- B. Organizational and operational information, such as personnel data (including, but not limited to discipline and compensation data), performance evaluation or succession planning information, data regarding compensation or benefit programs, plans or strategies, information concerning the utilization or capabilities of personnel, facilities or equipment, logistics management techniques, methodologies and systems, methods of operation data and facilities plans.
- C. Advertising, marketing, and sales information, such as marketing and advertising data, plans, programs, techniques, strategies, results and budgets, pricing and volume strategies, catalog, licensing or other agreements or arrangements, and market research and forecasts and marketing and sales training and development courses, aids, techniques, instruction and materials.
- D. Product and merchandising information, such as information concerning offered or proposed products or services and the sourcing of the same, product or services specifications, data, drawings, designs, performance characteristics, features, capabilities and plans and development and delivery schedules.

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- E. Information about existing or prospective customers or suppliers, such as customer and supplier lists and contact information, customer preference data, purchasing habits, authority levels and business methodologies, sales history, pricing and rebate levels, credit information and contracts.
 - F. Technical information, such as information regarding equipment organization, performance and design, information technology and logistics systems and related designs, integration, capabilities, performance and plans, computer hardware and software, research and development objectives, budgets and results, intellectual property applications, and other design and performance data.
2. **Non-confidential Information.** Information is not considered confidential if it is publicly known.
 3. **Non-solicitation.**
 - A. Employee agrees that, for a period of two (2) years following the date of termination of employee's relationship for any reason, employee will not, directly, or indirectly solicit, call on, or attempt to obtain business from or accept business from any referral sources, customers, suppliers, partners or facilities with whom SKG has done, or is doing business with as of the date of termination from SKG.
 - B. Employee agrees that, for a period of two (2) years following the date of the employee's termination for any reason, the employee will not, either directly or indirectly solicit or hire any employee of the Company for their own behalf or the behalf of any other person or entity. This restriction is limited to employees with whom the employee had business dealings while employed by the Company.
 4. **Disclosure of Prior Employment Agreements.** At the time of hire the team member should represent and agree that he or she:
 - A. Has no current employment contract, covenant not to compete, restrictive covenants, confidentiality agreement, or any other kind of agreement with any previous employer that would preclude acceptance of the Company's employment offer and joining the Company or otherwise limit activities once he or she becomes a team member, and
 - B. Will not bring any trade secrets or other confidential or proprietary information of previous employers.
 5. **Confidentiality Agreement.** Each team member must sign a Confidentiality and Nondisclosure Agreement at the time of his or her employment.

HANDBOOK
ACKNOWLEDGMENT
RECEIPT AND ACCEPTANCE

I acknowledge that I have received and accept the Company's Employee Handbook ("the Handbook"), dated January 1, 2023, and understand that violations of the policies contained in the Handbook including, but not limited to, the Anti-Harassment Policy, could result in disciplinary action, up to and including termination.

I further agree and consent to all policies contained herein and understand that the information contained in the Handbook represents guidelines for the Company and that the Company reserves the right to modify the Handbook or amend or terminate any policy, procedure or employee benefit program at any time.

I further understand that the contents of the Handbook do not form a written employment contract for employment for a specific term or duration. My employment with SKG is at-will. My employment with SKG is also at-will unless a duly authorized employment agreement with SKG provides otherwise.

I further understand that no manager, supervisor, or other representative of the Company, other than the CEO, has any authority to change my at-will status or enter into any agreement guaranteeing employment for any specific period of time. I also understand that any such agreement, if made, will not be duly authorized and enforceable unless it is in writing and signed by both parties.

My signature below certifies that I understand the at-will employment relationship between the Company and myself.

I further understand that if I have any questions about the interpretation or application of any policies contained in the Handbook, I should direct these questions to the Human Resources Department.

Employee Signature

Date

Print Name

Please sign and return one acknowledgment and acceptance page to the Human Resources Department and retain the other for your records.

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