

Midland Engineering Co., Inc.

SAFETY VIOLATION & DISCIPLINARY ACTION

PURPOSE

The purpose of this policy is to support the enforcement of good safety performance and to eliminate repeated or continuing safety violations by the use of appropriate disciplinary measures. Disciplinary data will be used to modify employee training to further reduce safety infractions.

OBJECTIVE

Our objective is to provide a safe, productive, profitable, work environment for all employees. To achieve this it is imperative all employees to: (1) act in the best interest of Midland Engineering Company at all times, (2) act in a safe manner and in accordance with Midland's expressed Safety Policies, (3) act lawfully, (4) act in a highly productive, team oriented manner, (5) act in a professional, best practice, customer focused manner. In addition, all employees need to communicate thoroughly and effectively. Supervisory personnel are to issue directives in accordance with Company policy to subordinates in clear terms, ensure subordinates understand tasks assigned them and monitor subordinates performance to ensure compliance. Subordinates are to adhere to directives of their supervisors and perform tasks assigned efficiently and in the highest quality manner possible. If a subordinate believes a task assigned is in conflict with any of the above, they have the responsibility to so advise their supervisor or any Midland management personnel deemed appropriate.

GENERAL COMPANY SAFETY RULES

Company Policies and Safety Rules are for your protection. The following rules have been established to help you protect yourself and others and avoid injury.

You have a responsibility to yourself and your coworkers to prevent accidents. Everyone's safety depends upon a thorough understanding of all safety rules. Employees who jeopardize their own safety and the safety of others, or who fail to observe these rules, will be subject to disciplinary action, up to and including termination.

1. Be on the lookout for possible problems. Always work in a safe manner and do not commit an unsafe act.
2. If you are injured or involved in an accident, notify your supervisor immediately!
3. Report any equipment or condition that is unsafe or dangerous to your supervisor.

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4. Do not block or impair electrical rooms or fire fighting equipment with any equipment, buffers or barrels.
5. Know the proper use of and exact location of fire alarms, extinguishers and exit routes.
6. SMOKING IS NOT PERMITTED while working.
7. Proper dress is required for work.
8. When using harsh, corrosive, caustic chemicals, protective eye wear and gloves should be used. Gloves should also be worn when cleaning restrooms.
9. Follow instructions for mixing all chemicals. Speak with your supervisor if you have any questions.
- 10 Arms, hands and feet should be kept out of trash cans, chutes and dumpsters to avoid hidden sharps.
11. Handrails should be used when going up or down stairs. Caution should be used when approaching and opening doors.
- 12 Use A CAUTION or A WET FLOOR sign when mopping, stripping or waxing floors, especially in traffic areas.
13. Wear protective eye-wear or goggles while changing or cleaning overhead lights to prevent anything from falling into your eyes.
14. Do not trip, vacuum or scrub over electrical cords. Electrical equipment should be turned off before plugging into or unplugging from electrical sockets. Always use care when unplugging electrical equipment.
15. Return all supplies and equipment to proper storage when finished. Position supplies and equipment in a safe manner while using them.
16. Cigarette butts should be placed in metal containers instead of in trash. Do not leave trash in closets or carts overnight *unless* instructed to do so by your supervisor.
17. Ladders should be firmly positioned on the ground or floor and used with caution. Do not stand on chairs, boxes or furniture.
18. Do not force elevator doors open or restrict them from closing. Watch out for dark elevators; it may mean there is an open shaft.
19. Always use proper lifting techniques.
 - Stand, closed feet firmly apart; grip object firmly; kneel close and bend knees
 - Hold objects as close to the body as possible; KEEP BACK STRAIGHT; lift by pushing up with strong leg and arm muscles.
 - Watch where you walk; reverse procedure to set object down; do not lift heavy or awkward loads alone; get help if you need it.

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DISCIPLINARY ACTION

To aid in the accomplishment of the stated objective and to give all supervisory personnel guidelines to use in managing subordinates, the Company is now implementing the following formal disciplinary policy.

Levels of Discipline:

- Verbal reprimand- This form of discipline will be issued only for a true lack of judgment, the employee truly lacked knowledge, or in the opinion of management did not intend to commit the violation.
- Written reprimand- Utilizing the attached "Written Reprimand Form" A written reprimand will be issued when verbal reprimands fail to achieve desired performance, when the act caused potential danger to the employee or others or potential property damage, when rules and regulations are blatantly disregarded. A copy of the written reprimand will be forwarded to any applicable Union office.
- Suspension- A suspension is warranted when written reprimands fail to improve behavior or performance. Employees can be suspended for 1 day to 1 week. Suspensions are unpaid days off work. Suspension notices are kept on file for 24 months with Midland Engineering
- Termination- Immediate termination will occur if a blatant disregard for regulation causes damage to employee or others; Theft or destruction of Midland Eng. or customer's property or equipment; when written reprimands or suspensions fail to change behavior; and when employee capabilities fail to reach standards for production or safety.

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JUDICIAL PUNISHMENT

For willful negligent offences or illegal activity it is possible for Midland Engineering or the customer to file charges against employees for their infractions. The court system will determine the punishment for judicial infractions.

Procedure: Steps that Midland Engineering and Employees will follow to ensure fair treatment or fair punishment.

- Supervisors will note any verbal reprimands issued on their daily production reports in detail containing who, what, where, when, and why pertaining to the charged party.
- Supervisors will channel any written reprimands through their immediate supervisor. The Safety and Loss Control Director will file the written report. The employee retains the right to rebut any verbal or written report with the next higher level of leadership progressively up to the Owner.
- Suspensions and termination require approval of the next higher level of leadership and are filed by the Safety/ Loss Control Director. The employee retains the right to rebut any disciplinary action through the next level of leadership progressively up to the Owner.
- Judicial punishment through formal charges is handled through the justice system. Midland Engineering disciplinary policy is no longer in effect when judicial proceedings begin. Midland will cooperate fully with any and all legal actions.

IMPLEMENTATION

Actions taken by Midland Engineering and Employees after a disciplinary action has been issued.

- All parties agree on disciplinary settlement: The employee accepts the parameters of his or her disciplinary action and a return to work after disciplinary measures are satisfied or accepts termination. The record of the action will remain in the employees file.
- Employee does not accept disciplinary settlement: Employee requests a conference with his next higher level of leadership progressively up to the owner of the company. Outcome of the conference is to be considered final.
- Supervisors are not satisfied with parameters of disciplinary action: The Supervisor has the obligation to seek conference with his next level of leadership progressively to the owner. Supervisors will support and enforce the final decision as if it was their own.
- If at any time a disciplinary action is subsequently proven to be unwarranted, the action will be reversed and the record of the incident will be so modified and kept in their file.

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HARASSMENT

Harassment is a form of employment discrimination that violates Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967, (ADEA), and the Americans with Disabilities Act of 1990, (ADA).

Harassment is unwelcome conduct that is based on race, color, sex, religion, national origin, disability, and/or age. Harassment becomes unlawful where 1) enduring the offensive conduct becomes a condition of continued employment, or 2) the conduct is severe or pervasive enough to create a work environment that a reasonable person would consider intimidating, hostile, or abusive. Anti-discrimination laws also prohibit harassment against individuals in retaliation for filing a discrimination charge, testifying, or participating in any way in an investigation, proceeding, or lawsuit under these laws; or opposing employment practices that they reasonably believe discriminate against individuals, in violation of these laws.

Petty slights, annoyances, and isolated incidents (unless extremely serious) will not rise to the level of illegality. To be unlawful, the conduct must create a work environment that would be intimidating, hostile, or offensive to reasonable people.

Offensive conduct may include, but is not limited to, offensive jokes, slurs, epithets or name calling, physical assaults or threats, intimidation, ridicule or mockery, insults or put-downs, offensive objects or pictures, and interference with work performance. Harassment can occur in a variety of circumstances, including, but not limited to, the following:

- The harasser can be the victim's supervisor, a supervisor in another area, an agent of the employer, a co-worker, or a non-employee.
- The victim does not have to be the person harassed, but can be anyone affected by the offensive conduct.
- Unlawful harassment may occur without economic injury to, or discharge of the victim.

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Midland Engineering is committed to providing a quality work environment for each of its employees. Midland Engineering requests employees file reports within the company to allow us to improve substandard leadership issues prior to involving the EEOC. Complaints can be submitted to the EEOC through an equal opportunity intake questioner on the EEOC web site. Information needed for a harassment complaint is the following:

- The complaining party's name, address, and telephone number;
- The name, address, and telephone number of the respondent employer, employment agency, or union that is alleged to have discriminated, and number of employees (or union members), if known;
- A short description of the alleged violation (the event that caused the complaining party to believe that his or her rights were violated); and
- The date(s) of the alleged violation(s).
- Federal employees or applicants for employment should see Federal Sector Equal Employment Opportunity Complaint Processing.

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Employee Reprimand Record

Employee Name: _____

Social Security Number: _____ Date of Reprimand: _____

Project Name or Shop: _____ Position or Craft: _____

What is the employee being reprimanded for?

Conduct Production Timeliness/Tardiness Safety Other

Please explain: _____

What is expected of this employee in response to this reprimand?

What action is recommended if the employee does not meet expectations outlined?

How will supervision assist the employee? _____

Has the employee been warned about this before? Yes No

Written Verbal

Date of earlier reprimand and by whom? _____

Supervisor's name: _____

Supervisor's signature: _____ Date: _____

Other comments: _____

If this written record concerns the Corporate Safety Program, this record is for your own protection and safety, and the safety of those with whom you work. It also may document a violation of a safety rule, work rule, or safety direction. Midland Engineering Co., Inc. is very concerned for the safety of its employees and work place. Please note that this is a serious matter and may affect your employment with this company.

NOTE: Place this form in the employee file