



**MidAmerica**

Administrative & Retirement Solutions, Inc.

# **EMPLOYEE HANDBOOK**

# FOREWORD

SOI is a Professional Employer Organization (PEO). **MidAmerica Administrative & Retirement Solutions, Inc. (“the Company”)**, has selected SOI to provide human resources services including payroll, optional benefits and other administrative services. This allows the Company to focus on its core business while providing employees with a broader range of human resource programs including benefits programs. The Company continues to maintain daily supervision and management of employees.

The Company and SOI have always emphasized that outstanding people are the key to success. Our strength and future growth depend on the contributions made by you and each person within our organizations. We are both proud to have you as part of our team. To ensure continued success, we feel it is important that all employees understand our policies and procedures. This employee handbook will familiarize you with the various aspects of working with us. We encourage you to use it as a valuable resource for understanding SOI and the Company.

Please be aware that this Employee Handbook only outlines SOI and the Company’s basic policies, procedures, rules and benefits. It is only intended to provide an overview. Therefore, if you have any questions, please ask them of your supervisor, any member of management, or one of SOI’s Human Resource Consultants at 1(888) 295-6957.

**This employee handbook is not intended to be a contract, either express or implied, between you and the Company or between you and SOI. Absent an agreement in writing between you and the Company your employment with the Company is at-will. This means that both you and the Company and you and SOI enjoy the right to terminate the employment relationship at any time.**

The Company and SOI reserve the right to revise or terminate any or all policies, procedures or benefits in whole or in part, with or without notice at any time. However, SOI and the Company will make reasonable efforts to keep you informed of any changes to this Employee Handbook as they occur.

# TABLE OF CONTENTS

<b>TABLE OF CONTENTS</b> .....	<b>3</b>
<b>SECTION I</b> .....	<b>5</b>
Introduction.....	5
At-Will Employment .....	5
Open Door Policy .....	5
Suggestions .....	6
Discrimination, Harassment and Retaliation .....	6
<i>Harassment Prohibited - Definition</i> .....	6
<i>Reporting and Investigating Discrimination, Harassment and Retaliation</i> .....	7
<i>Confidentiality</i> .....	7
<i>Assurance of Non-Retaliation</i> .....	8
Equal Employment Opportunity.....	8
Standards of Conduct.....	8
<i>Attendance</i> .....	8
<i>Behavior</i> .....	9
<i>Performance</i> .....	9
Ethical Standards/Conflict of Interest.....	10
Workplace Violence.....	10
Safety .....	10
Reasonable Accommodations.....	11
Modified Duty Positions .....	11
Confidential Information .....	12
Classification of Employees .....	12
Benefits .....	12
<b>SECTION II</b> .....	<b>14</b>
Paid Time Off .....	14
Holidays .....	15
Military Leave of Absence.....	15
FMLA Leaves of Absence .....	16
Maternity Leave Benefits.....	17
Personal Leave .....	17
Bereavement Leave.....	17

Voting Leave.....	18
Jury and Witness Duty Leave .....	19
<b>SECTION III .....</b>	<b>20</b>
Introductory Period and Orientation .....	20
Pay Periods / Work Weeks .....	20
Meals & Breaks.....	20
Recording Hours Worked .....	20
Attendance and Punctuality .....	21
Overtime .....	21
Professional Appearance Standards.....	21
Voicemail, E-mail and Internet Use.....	22
Telephones .....	22
Smoke Free Workplace.....	23
Substance Abuse .....	23
Employee Assistance Program .....	24
Performance Reviews .....	24
Education Expense Reimbursement .....	24
Personnel Records.....	277
Severe Weather .....	277
References.....	27
Separation of Employment .....	27
<b>Receipt/Acknowledgment.....</b>	<b>28</b>

# SECTION I

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## Introduction

Our policies, practices and benefits are continuously reviewed, and we expect to change them from time-to-time. Therefore, you should always check with your manager or supervisor for the most current ones. The Company and SOI reserve the right to revise or terminate any or all policies, procedures and benefits (if offered to you by the Company), in whole or in part at any time.

Company benefit plans, if offered to you by the Company, and SOI benefit plans, (available if premiums and contributions are paid and if participation and other requirements are met), are defined in legal documents such as insurance contracts, official plan texts, summary plan descriptions and trust agreements. This means that if you are offered benefits by the Company or by SOI, and if a question ever arises about the nature and extent of plan benefits or if there is conflicting language, the formal language of the plan documents govern, not the informal wording of this handbook. Plan documents if applicable, are available for your inspection.

This handbook replaces and supersedes any and all previous employment related policies and practices.

## At-Will Employment

All employees of the Company and SOI are at-will employees. **Absent an agreement between you and the Company, this means that either you or your Company or you and SOI may end the employment relationship at any time, for any or no reason.** No person at SOI has the authority to enter into any employment agreement with you. Nothing anywhere in this handbook alters the at-will employment relationship.

Any agreement between you and the Company regarding your terms and conditions of employment, your compensation, non-competition agreements or confidentiality agreements are not binding on SOI. SOI will not ratify, adopt or become subject to any such agreement. However, your rights and obligations under any such agreement will remain intact between you and the Company.

## Open Door Policy

The Company and SOI welcome open communication between employees and managers. The Company provides an Open Door Policy to encourage an exchange of information. Employees are invited to share their concerns and provide input to their supervisor at any time.

It is your supervisor's responsibility to address any employee concerns and provide appropriate follow up with the employee. If however your immediate supervisor cannot adequately address your questions or solve your problem, you may contact any other appropriate member of management or an HR Consultant at SOI at 1(888) 295-6957.

## Suggestions

If you have any suggestions or ideas that you believe would benefit the Company or SOI we encourage you to tell us about them.

We are always looking for suggestions that improve morale, procedures, working conditions, and reduce costs or errors. If you have any suggestions we encourage you to contact your immediate supervisor or any other member of the management team.

## Discrimination, Harassment and Retaliation

The Company and SOI expressly prohibit discrimination, harassment and retaliation based on race, color, sex, religion, creed, national origin, disability or perceived disability, age, marital status, or any other protected category.

Conduct that interferes with the Company, SOI, or an individual's work performance, or creates an intimidating, hostile or offensive working environment is prohibited. The Company and SOI will not tolerate any attempts of retaliation against an employee who raises a sincere and valid concern that this policy has been violated.

The Company and SOI take all allegations of discrimination, harassment and retaliation very seriously and are firmly committed to ensuring a workplace free of discriminatory activities. Anyone engaging in discrimination, harassment, or retaliation is subject to disciplinary action up to and including discharge.

### *Harassment Prohibited - Definition*

As used in this policy, the term "harassment" refers to conduct relating to a person's race, color, religion, creed, sex, age, national origin, marital status, disability or perceived disability, which fails to respect the dignity and feelings of the individual. This policy protects and covers the conduct of all employees, **vendors, customers and visitors**. Harassment that is forbidden by this policy can take several forms, including but not limited to:

(1) Sexual Harassment:

**The definition of Sexual Harassment** includes unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature which unreasonably interferes with an employee's work performance or creates an intimidating, hostile or offensive environment (and/or) where the individual is made to feel as if he or she must agree to the request or submit to the advance in order to get favorable treatment at work.

While not exhaustive, the following is a list of some examples of sexual harassment:

- Unwanted sexual advances.
- Offering employment benefits in exchange for sexual favors.
- Making or threatening reprisals after a negative response to sexual harassment.
- Visual conduct such as leering, making sexual gestures, displaying or distributing sexually suggestive objects or pictures, cartoons or posters.
- Verbal conduct such as making or using sexually derogatory comments, epithets, slurs, or jokes.
- Verbal sexual advances or propositions.

- Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, suggestive or obscene letters, notes or invitations.
- Physical conduct or threat of physical conduct, such as touching, assault, or impeding or blocking movements.

(2) Racial, Color, Religious, National Origin, Disability, or Age Harassment

This form of harassment can include any verbal, written, or physical act that makes an employee uncomfortable at work or interferes with an employee's ability to perform their job, and is based on race, color, religion, national origin, disability, marital status, or age.

Harassment may take many forms. While it is impossible for the Company or SOI to provide an exhaustive list, the following is a list of some examples of harassing behavior.

- Jokes that refer to race, color, religion, national origin, disability, or age.
- Posting or distributing cartoons, drawings, or any other material that negatively reflects a person's race, color, religion, national origin, disability, or age.
- The use of slurs or other offensive language.
- Practical jokes, horseplay, or teasing that makes fun of or insults a person's race, color, religion, national origin, disability, or age.

***Reporting and Investigating Discrimination, Harassment and Retaliation***

In an effort to eliminate all workplace discrimination, harassment, and retaliation, the Company and SOI, will utilize an internal investigation process to respond to any such complaints. Anyone who believes he or she is being subjected to discrimination, harassment, or retaliation or who has witnessed such conduct must report the conduct as outlined in the following procedure.

- Report any discriminatory, harassing, or retaliatory behavior that you experience or witness to the Vice President of Operations immediately.
- If the problem is not addressed in a timely manner, contact the President or call SOI's Human Resources Services Department at 1(888) 295-6957.
- If you do not feel comfortable talking to the Vice President of Operations or President for any reason, you may proceed directly to SOI's Human Resources Services Department or any member of management with whom you feel comfortable talking.

A thorough investigation will be conducted and there will be no retaliation against victims or witnesses for participating in the investigation.

Anyone who knowingly fails to report an incident of discrimination, harassment, or retaliation may be subject to disciplinary action.

***Confidentiality***

In cases involving a report of harassment or discrimination, all reasonable efforts will be made to protect the privacy of the individuals involved. In many cases, however, the Company and SOI's duty to investigate and remedy harassment makes absolute confidentiality impossible. The Company and SOI will try to limit the sharing of confidential information with employees on a "need to know" basis. Employees who assist in an investigation are required to maintain the confidentiality of all information they learn of or provide.

### *Assurance of Non-Retaliation*

The Company and SOI expressly prohibit retaliation of any kind against anyone for reporting harassment or discrimination. Any such retaliation will not be tolerated and may result in discipline up to and including discharge.

## **Equal Employment Opportunity**

The Company and SOI provide equal employment opportunities to qualified persons without regard to race, color, sex, religion, creed, national origin, disability, age, marital status, veterans status or any other protected category.

Our continued success depends heavily on the full and effective utilization of qualified persons. We strive to hire, develop, and retain the most qualified people we can find basing our judgment on each individual's job-related qualifications, capabilities, and potential.

Our policies relate to all phases of employment, including advertising, recruitment, hiring, placement, promotion/demotion, training, transfer, layoff, recall, termination, compensation and rates of pay, employee benefits (if provided to employees) and participation in all employer sponsored employee activities.

## **Standards of Conduct**

When groups of people work together, reasonable rules are necessary to conduct an orderly business and make working conditions more pleasant for everyone.

As an employee, it is expected that you will adhere to all policies and practices of the Company. It is further expected that you will conduct yourself in a professional manner at all times, and exhibit the highest level of integrity in performing your job. It is equally important to maintain a positive work environment through good working relationships with our customers, visitors, and your co-workers, and that emphasizes our commitment to good customer service. Any violation of these standards of conduct, or other employment policies, or any inappropriate conduct whatsoever may result in immediate discipline up to and including discharge.

The list below is not intended to be all-inclusive, but merely illustrates the various types of prohibited conduct. Policies governing our Standards of Conduct are listed below and may be subject to change, modification, or case-by-case application. At the Company's sole discretion they may be disregarded in their entirety and therefore may not be considered binding contractual promises.

### ***Attendance***

- (1) Improper authorization, use or abuse of paid or unpaid leave. Using an approved leave-of-absence for purposes other than for which it was intended or working for another employer, without permission, while on an approved leave-of-absence.
- (2) Excessive absenteeism.
- (3) Being absent without authorization, or repeated unauthorized late arrival or early departure from work. Failure to timely return to work from scheduled breaks.
- (4) Performing overtime work without authorization.
- (5) Failure to notify the manager of impending tardiness or absenteeism, if such notification is required under Company policies.
- (6) Failing to work assigned hours including overtime.



- (7) Failing to fill out timecards timely and accurately or falsification of information on the timecard, if timecards are maintained by the Company.
- (8) Failing to report to work on the first day following the expiration of a leave of absence.
- (9) Failing to report to work for two (2) consecutive days without notifying the Company.
- (10) Leaving work without permission.

### ***Behavior***

- (1) Failure to carry out a direct order from a superior, except where the employee or another person's safety may be jeopardized.
- (2) Engaging in a conflict of interest activity.
- (3) Conviction of a crime, including convictions based on a plea of nolo contendere or of a misdemeanor involving moral turpitude.
- (4) Violence, use of force, with or without weapons.
- (5) Knowingly falsifying, removing, or destroying information related to employment, payroll, or work-related records or reports.
- (6) Soliciting outside work for personal gain during business hours or participating in any off-duty employment that adversely affects the employee's performance of work for the company.
- (7) Discourteous treatment of the public or other employees, including, but not limited to, harassing, coercing, threatening, or intimidating others.
- (8) Violation or neglect of safety rules, or failing to report a hazardous condition to a manager.
- (9) Unauthorized removal or use of any company property or that of a customer.
- (10) Violation of the Equal Employment Opportunity policy or the policy against discrimination, harassment and retaliation included in this Handbook.
- (11) Carrying on any outside activities during working time or during any time, which would interfere with the work of other employees.
- (12) Eating or smoking in other than designated areas of the workplace.
- (13) Failing to maintain personal appearance standards.
- (14) Falsifying Company records or furnishing false or misleading information or withholding any information on Company records or pursuant to any investigation by SOI, the Company or any government agency. Failure to cooperate in an investigation involving any employee's compliance with employment policies and procedures.
- (15) Theft, misappropriation, defacing or damaging of the Company's or another's property including cash or merchandise.
- (16) Possession of a firearm or other weapon, loaded or unloaded, on Company property.
- (17) Using, possessing or selling alcohol or drugs on Company property or during working time.
- (18) Tape recording any conversations of co-workers or managers without express permission of all parties to the conversation.

### ***Performance***

- (1) Inefficiency, incompetence, or negligence in the performance of duties, including failure to perform assigned tasks or training, or failure to discharge duties in a prompt, competent and reasonable manner.
- (2) Refusal or inability to improve job performance in accordance with written or verbal direction after a reasonable trial period.
- (3) Reporting to work or being under the influence of alcohol or drugs while on duty. Using, possessing or selling alcohol or controlled substances on Company property or during working time.
- (4) Careless, negligent, or improper use of Company property, equipment or funds, including unauthorized removal, or use for private purposes, or use involving damage or unreasonable risk of damage to property.
- (5) Unauthorized release or possession of confidential information or business records.
- (6) Sleeping on the job.

- (7) Violating any employment policy or procedure, whether contained in this Handbook or not.

## **Ethical Standards/Conflict of Interest**

The Company and SOI have excellent reputations for conducting their business activities with integrity, fairness, and in accordance with the highest ethical standards. As an employee, you enjoy the benefits of our reputation and are obligated to uphold our ethical standards in every business activity.

Employees must complete ethics training on a bi-annual basis through web based courses. Information regarding these courses will be provided to you by management, along with the associated deadlines for completion.

Exactly what constitutes a conflict of interest or an unethical business practice is both a moral and a legal question. The Company and SOI recognize and respect your right to engage in activities outside of your employment that are private in nature and do not in any way conflict with or reflect poorly on The Company or SOI. Management reserves the right, however, to determine when an employee's activities represent a conflict with our interests and to take whatever action is necessary to resolve the situation, including termination of employment.

If you are ever in doubt whether an activity meets our ethical standards, may be a conflict of interest, or compromises the Company or SOI's reputation, please discuss it with your manager or supervisor or call SOI's Human Resources Services Department at 1(888) 295-6957.

## **Workplace Violence**

The Company and SOI have a strong commitment to its employees to provide a safe, healthy and secure work environment. The possession of weapons or occurrences of violence in the workplace is contrary to our objective and will not be tolerated. Violators may be subject to immediate discharge.

The Company also expects employees to maintain a high level of productivity. Therefore employees are to perform their jobs without violence, threats, harassment or bullying toward any individual. Employees who are involved in a fight and become injured may be denied workers compensation benefits.

The Company has the right to search any areas on Company premises for weapons, including but not limited to, lockers, furniture, containers, drawers, equipment or other facilities, lunch boxes, briefcases, personal bags, personal toolboxes or tool kits, parking lots, Company vehicles and personal vehicles parked on Company premises.

## **Safety**

The health and safety of employees and others on Company property is of utmost concern. It is therefore the policy of the Company and SOI to strive constantly for the highest possible level of safety in all operations. It is our commitment to comply with all applicable health and safety laws, and to ensure that public and work areas are free of hazardous conditions. The Company will make every effort to provide working conditions that are as healthy and safe as feasible, and employees are expected to be equally conscious about work-place safety, including proper work methods, reporting potential hazards, and reducing exposure to known hazards. You should immediately inform your manager of any unsafe condition or act that you observe. If you can correct an unsafe condition without possible risk of injury to yourself or others, you should take steps to correct it.

Untidy work areas are one of the primary causes of accidents. It is the responsibility of every employee to keep their work area clean. Your manager will discuss any specialized safety requirements of your department with you.

You are expected to work safely at all times. If you are injured, however, you are required to report all injuries, no matter how minor, to your supervisor immediately.

## **Reasonable Accommodations**

It is recognized that employees may experience either a temporary or permanent impairment, which may impact their ability to perform any, or all of the physical and/or mental requirements of their job duties.

The Company and SOI will consider providing reasonable accommodations for employees which would allow them to continue to perform the essential functions of their position, and which do not impose an undue hardship on the Company's business.

Any employee having a physical or mental impairment that substantially limits one or more of his or her major life activities and which impacts their ability to perform their job duties, should notify their supervisor and SOI's Human Resources Services Department at 1(888) 295-6957.

## **Modified Duty Positions**

A modified duty position may be offered to employees that suffer an occupational injury/illness. Employees that are released by their physician to return to work less than full time or with physical work restrictions may be eligible for a modified duty position.

Modified duty positions may be a temporary reassignment to another position within the company or, your current position may be reviewed to determine if reasonable accommodations can be made within your work restrictions. Reasonable accommodations may be considered for your current position pursuant to the "Reasonable Accommodations" section of this handbook. Pay will be at the rate of the new job classification if applicable. The Workers Compensation Carrier will contact you if you are entitled to additional wages from them.

Reassignment to Modified Duty or Reasonable Accommodation to your current position will require compliance with the following procedures:

- When you are released to return to work from a work-related injury, you must call your Workers Compensation Carrier. You cannot return to work without written authorization from your physician.
- Tell your supervisor immediately if you have any difficulty with assigned work. Never do work beyond what your physician has determined is safe for you.
- Reassignment to a modified duty position may require you to change your regular days off or work hours
- You are required to schedule doctors' appointments around your work schedules, whenever possible.

- Refusal to participate in the modified duty program when your physician releases you to work and work is offered, may result in the reduction or discontinuation of wage benefits from Worker's Compensation.

## **Confidential Information**

Employees are expected to keep matters concerning the operations, activities, and affairs of the Company confidential to the greatest possible extent. If, during employment, employees acquire confidential or proprietary information about the Company or its clients, such information is to be handled in strict confidence and not be discussed with outsiders. Employees are also responsible for the internal security of such information. Such confidential information is the exclusive property of the Company and/or its clients and under no circumstances whatsoever shall employees have any rights to use, disclose, or publish to others such confidential information subsequent to the termination of their employment.

Employees should not send any Social Security Numbers (SSN's) within the text of any e-mails or e-mail attachments. If a file containing SSN's is attached to an outgoing e-mail, the file must be encrypted. If a Plan Sponsor (or anyone else) sends you an e-mail containing a SSN, and you reply to that e-mail, you must delete (or "x" out) the first 5 numbers of the SSN before sending your reply. This procedure should be strictly followed, as it protects the privacy of our plan participants.

## **Classification of Employees**

The Fair Labor Standards Act has provided rules to employers for determining if an employee is eligible to receive overtime. This determination is based on the employee's job classification/position. Employees are classified as either exempt or non-exempt for the purposes of paying overtime. An exempt employee is not paid overtime and/or does not earn an hourly minimum wage, or both. Non-exempt employees are eligible for overtime for all hours worked over 40 hours per week and must be paid the hourly minimum wage set by federal law.

Employees are also classified as full time, part time, or temporary as determined by your company's policies. Eligibility for benefits, if offered, is generally based on this full time, part time or temporary status. Your employment status will be determined and communicated to you at the time of hire or job transfer within the company. If you have any questions regarding your status, please see your manager or call SOI's Human Resources Services Department at 1(888) 295-6957.

## **Benefits**

The Employee Benefit Program offers full time employees a competitive range of benefit plans such as medical, dental, pretax flexible spending, life and disability insurance, and vision insurance. These plans provide a wide range of benefits and protection for you and your family. An employee qualifies as "full time" if he/she works a regular weekly schedule consisting of over 35 hours.

Full time employees become eligible for insurance benefits on the first day of the month following ninety (90) full days of employment.

A complete list of benefit plans available, eligibility criteria and a summary description of each plan are provided in your new hire paperwork.

The Company will cover a portion of "employee only" coverage under our designated group health & dental plan for all full time employees (a larger portion for full-time employees working 40 hours per week, versus a smaller portion for part-time employees working more than 30, but less than 40 hours per week).

The Company and SOI reserve the right to change or make exceptions to its benefits, at any time without notice.

## SECTION II

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### **Paid Time Off** (revised 1/1/07)

Paid Time Off (PTO) is an all purpose time-off policy for eligible employees to use for vacation, illness or injury, and personal business. It combines traditional vacation; sick and personal leave plans into one flexible, paid time-off policy.

**Although employees begin accruing hours from date of hire, accrued time may not be used during the first ninety (90) days of employment.** After that time, employees may use any earned PTO hours.

The amount of PTO employees are eligible to receive each year is based on the length of their employment and employment status as shown in the following schedule:

<b>Length of Employment</b>	<b>PTO Hours annually</b>	<b>Accrual hours per pay period</b>
During Years 1 & 2	80 (10 days)	3.077
During Years 3 & 4	120 (15 days)	4.615
During Years 5 - 10	160 (20 days)	6.154
During Years 11 - 15	200 (25 days)	7.692
During Years 16+	240 (30 days)	9.231

Although the accrual amount is based on your anniversary date of hire, the carryover maximum is based on the calendar year. Therefore, you may not carry over more than eighty (80) hours into a new calendar year without advanced authorization from your manager. Additionally, PTO will not be paid in lieu of taking actual time off.

Employees who have an unexpected need to be absent from work should notify their supervisor before the start of each scheduled workday.

To schedule planned PTO, employees should request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements. Employees should avoid financial commitments such as the purchase of airline tickets, etc., prior to receiving PTO approval.

PTO is paid at the employee's base pay rate at the time of absence. It does not include overtime or any special forms of compensation such as incentives, commissions, or bonuses.

Upon termination of employment, employees will be paid for unused PTO that has accrued through the last day of work. **EXCEPTIONS** to this policy (PTO will not be paid to the employee): If an employee voluntarily resigns and does not provide a minimum of two weeks' notice to the company; If an employee is terminated for cause; If an employee terminates employment within his/her 90-day probationary period for any reason.

Although the PTO schedule is setup for full-time employees, MidAmerica does provide PTO for part-time employees that work at least 25 hours per week. The same PTO policies listed above apply to part-time employees. The amounts of PTO part-time employees are eligible to receive each year is based on the length of their employment and employment status as shown in the following schedule:

<b>Hours Worked Per Week</b>	<b>PTO Hours annually</b>	<b>Accrual hours per pay period</b>
< 25 hours	0	0
25 - 35	50% of f/t schedule	50% of f/t schedule

## Holidays

Eligible employees will receive pay for the holidays listed each year. The Company will observe the following:

### *Recognized Holidays*

New Years Day	Memorial Day
Independence Day	Labor Day
Thanksgiving Day	Day after Thanksgiving
Christmas Day	Floating Holiday

**The Floating Holiday will be scheduled at management's discretion. (Day off will be announced in advance)**

As long as staffing needs are met, eligible employees may take unpaid time off for religious observances not included in the above holiday schedule. You must request approval from your manager in advance of the requested day off.

You are not eligible to receive holiday pay while you are on an unpaid leave of absence.

## Military Leave of Absence

Upon request, employees are eligible for a leave of absence to serve in the active or reserve military services of the United States in accordance with applicable law. The Company and SOI complies with the Uniform Services Employment and Re-employment Rights Act (USERRA). This act applies to all employees who voluntarily or involuntarily perform services in the Armed Forces, Army National Guard, Public Health Services, or any other category of service designated by the President in time of war or emergency.

The following guidelines will be followed for an employee requesting a leave of absence:

- Employees are required to give their employers advanced written or verbal notice of an absence for military service unless circumstances make it unreasonable or impossible to do so.
- Employees may use any accrued vacation or other paid leave during the military leave.
- After the conclusion of their military service, employees must report to their employers, or submit an application for re-employment within a prescribed timeframe, which varies depending on the length of the leave of absence.
- Employees are entitled to take a cumulative leave of absence due to military service for up to five (5) years. (This includes previous leave absences)

Employees eligible for vacation or other paid leave time should contact their supervisor for specific details.

## **HEALTH INSURANCE:**

Employees who are currently enrolled in Company offered health plans will have their benefits continued for up to 31 days from the leave of absence date. If the leave extends beyond 31 days, you may elect to continue your coverage under COBRA for up to eighteen (18) months, however, you may be required to pay all or part of the premium for the continuation of COBRA coverage.

## **RETURN FROM MILITARY DUTY:**

Re-employment and/or reinstatement of employment will be made in accordance with all federal and/or state law. Employees should contact their supervisor/manager or SOI at 1-888-295-6957 for specific information regarding return to work procedures.

## **FMLA Leaves of Absence**

An eligible employee may request a Family and Medical Leave (“FMLA leave”) for up to twelve (12) weeks in a twelve (12) month period due to the serious health condition of the employee or the employee’s spouse, child or parent, or for the birth, adoption or foster care of a child. Eligibility for leave for the birth, placement or adoption of a child expires twelve (12) months after the birth, placement or adoption. An eligible employee is an employee who has been employed for a minimum of one year and worked 1,250 hours within the previous 12 months. The twelve (12) month period is measured by looking at the twelve (12) month period immediately prior to the date on which leave is requested. Spouses who are both employed by the Company cannot take more than a combined total of total of twelve (12) weeks of leave in a twelve (12) month period for birth, adoption or foster care. Employees must give at least thirty (30) days notice of the need for leave, if such leave is foreseeable. If leave is not foreseeable, notice must be given as soon as possible. If an employee fails to give proper notice for foreseeable leave, the Company may delay the taking of leave.

When medically necessary, an employee may take leave intermittently or on a reduced schedule. The Company reserves the right to temporarily transfer the employee to another position that better meets the leave schedule.

An employee requesting leave to care for a family member or because of their own serious health condition must provide the Company with a medical certification. This form is available from SOI’s FMLA Administrator 1(888) 295-6957. In certain circumstances, at the Company or SOI’s discretion, a second or even a third opinion may be required.

Accrued sick and vacation benefits, short-term disability (STD), workers’ compensation and/or paid time off must be used as part of the 12-week FMLA leave, if applicable. However, if leave is for birth, adoption or foster care, PTO need not be used unless the employee wishes; other paid leave benefits must be used. The balance of the leave will be unpaid. Health benefits, if applicable, will continue under the same terms and conditions as when the employee was on the job. In general, an employee will be guaranteed the right to return to their previous, or an equivalent position, with no loss of benefits at the end of the leave.



## Maternity Leave Benefits

Paid time off is available for those full-time employees out on maternity leave. The leave benefits are based on length of service as follows:

Length of Service	Maximum paid time
Completion of 1 year of service (12 consecutive months)	40 hours or 5 days
Completion of 2 years of service (24 consecutive months)	80 hours or 10 days
Completion of 3 years of service (36 consecutive months)	120 hours or 15 days
Completion of 4 years of service (48 consecutive months)	160 hours or 20 days
Completion of 5 years of service (60 consecutive months)	200 hours or 25 days
Completion of 6 or more years of service (72 consecutive months)	240 hours or 30 days

**The above paid time runs in addition to existing PTO hours and will be paid concurrent with any existing hours.**

## Personal Leave

In certain compelling circumstances the Company upon request, may provide leave for a personal reason for up to thirty (30) days.

Employees must submit a request for unpaid personal leave of absence to their manager. Your manager will submit the request to the appropriate member of management for final approval. Failure to return from leave at the time agreed may result in termination of employment.

If you accept any employment or go into business for yourself while on a leave of absence, you may be considered to have voluntarily resigned from the Company.

You will not accrue vacation or sick leave during your leave of absence and you will be responsible for any required benefit premiums that may occur during your leave.

## Bereavement Leave

Eligible employees receive paid leave for up to two (2) regular workdays missed due to the death of an immediate family member.

Immediate family members consist of the following relatives of the employee, or of the employee's spouse:

- Spouse
- Children (including step-children)
- Parents (including step-parents)
- Siblings

In certain circumstances the Company reserves the right to make exceptions on a case by case basis when requested. Employees may use their available / accrued PTO time for additional days as necessary.

To take leave, an employee must submit a request to the supervisor. This request must state the requested days off, and the anticipated return date.

## **Voting Leave**

The Company and SOI encourage all employees to fulfill all civic responsibilities and to vote in all official public elections. Generally your working hours are such that you will have ample time to cast your vote before or after working hours. However if you find yourself with insufficient time to vote due to overtime work etc., please discuss the matter with your supervisor. The Company and SOI will comply with all applicable voting time laws of the states and municipalities in which its' facilities and offices are located.

## **Jury and Witness Duty Leave**

The Company and SOI recognize employee obligations to serve on state and federal juries. When you are asked to serve on jury duty, inform your supervisor immediately so that it can be determined whether your schedule is flexible enough to permit you to serve at that time. If not, the Company will request deferral to a more convenient date. You are expected to return to work, when reasonable, during your regularly scheduled business hours or if released earlier than anticipated.

Occasionally, employees may be legally compelled to attend a judicial proceeding. In these circumstances, an employee's attendance at work will be excused. Employees must notify their supervisor immediately upon receiving a summons or subpoena compelling attendance at a judicial proceeding and must present the summons or subpoena to the supervisor. An employee charged with a crime, who is required to attend a judicial proceeding, is not covered by this policy.

The Company will pay your regular wages or salary for time spent participating in jury or witness duty up to a maximum of five (5) days or forty (40) hours.

## **SECTION III**

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### **Introductory Period and Orientation**

An introductory period of 90 days or longer may be used for new employees or employees who are reassigned or transfer to a new position.

To assist you in learning your new job the Company will provide orientation and training, and may periodically review your progress. A formal performance evaluation may be conducted at the end of 90 days to determine if you are meeting the requirements for the position.

If at any time during this process you have questions, you are encouraged to talk to your supervisor or follow the Company's "Open Door Policy."

Absent a written agreement with the Company to the contrary, all employment both during and after the introductory period is at-will and the completion of the introductory period does not confer any rights for continued employment.

### **Pay Periods / Work Weeks**

The standard pay period is bi-weekly. Payday is scheduled for every other Wednesday (paying hours worked through the previous Saturday). The standard workweek is 5 days and standard workday is 8 hours. The standard business and work hours are between 8:30 a.m. to 8:00 p.m Monday – Thursday and 8:30 a.m. to 6:00 pm. on Fridays. Your supervisor will inform you of your scheduled hours. Certain department work schedules may slightly vary from the normal business hours.

Your particular hours of work and the scheduling of your meal and break periods will be determined and assigned by your manager. It is our policy not to incur overtime pay unless necessary. Your manager must approve all overtime in advance. The need for overtime will occur infrequently and on these occasions, your cooperation is appreciated and expected.

### **Meals & Breaks**

All full-time employees working over six hours per day receive a one (1) hour unpaid meal period break. Your manager will discuss your break and meal schedule with you. From time-to-time, business situations will arise that prevent you from taking a break. Your workday will not be shortened to compensate for missed breaks.

Employees scheduled to work at least 4 hours, but less than 6 hours per day are entitled to two 10-minute breaks – one in the morning and one in the afternoon. All employees must discuss their break schedules with their manager. From time-to-time, business situations will arise that prevent you from taking a break. Your workday will not be shortened to compensate for missed breaks.

### **Recording Hours Worked**

Non-exempt employees must accurately record the number of hours worked daily. Recording time is required for beginning and ending work periods, as well as for lunch and other brief absences, such as a doctor appointment. Your manager will discuss the submission schedule with you and you will be responsible for following the schedule for timely and accurate processing. Any falsification of this document will lead to disciplinary action, including possible immediate termination.

## **Attendance and Punctuality**

Regular attendance and punctuality is an important job requirement. The Company must be able to respond to its customers' and clients' needs. In order to perform this obligation, it is essential that all employees report to work regularly and on time. It is each employee's responsibility to overcome minor inconveniences and to strive for perfect attendance.

If any employee is unable to report to work on a scheduled workday (including scheduled overtime), the employee must notify their supervisor by the beginning of the scheduled workday. In cases of absences exceeding one (1) day, it is the employee's responsibility to arrange a reporting schedule with the supervisor. If the employee wishes to apply for one of the Company's leave policies, the employee should follow the reporting policy delineated in that policy.

Any employee's absence from work without proper notification may be considered a voluntary resignation of employment. The Company may require documented evidence of illness and/or a medical opinion of fitness to return to work following an absence of three (3) or more days.

Tardiness is also unacceptable job performance in the same nature as excessive absenteeism. It is each employee's responsibility to allow ample time in the commuting schedule to allow for travel delays. Tardiness is defined as arriving after the normal starting time.

The Company provides a generous PTO policy to allow employees to attend to personal and health issues. Absences in excess of allowed accrued time annually may be considered excessive and grounds for disciplinary action.

## **Overtime**

Non-exempt employees are eligible for overtime. However, your manager may require prior approval of overtime before it is worked. Employees who work unauthorized overtime are subject to discipline, up to and including termination. An overtime rate of one and one-half times the regular rate is applied to the actual hours worked in excess of forty (40) hours in one pay week.

Management expects that employees will work overtime hours when requested. Advance notice will be given to employees whenever possible; however, employees should be aware that emergencies do occasionally arise that do not permit advance notification. Managers will make every effort to notify the employee as soon as possible when overtime work is required.

Pay received for hours such as sick time, holidays, vacations, or paid time off, etc., is not considered time worked for purposes of computing overtime.

## **Professional Appearance Standards**

The Company wishes to portray a professional business appearance and, therefore, all employees' style of dress and grooming should reflect that image. Employees are required to present themselves during working hours in attire that is appropriate to their position and the nature of the work performed. The Company has adopted a 'business-casual' environment within the following guidelines:

- No shorts
- No skorts
- No halter tops, tube-tops or spaghetti straps (if you wear spaghetti straps, they must be covered by a jacket or another shirt at all times inside the office)
- No midriff tops (exposing stomach)
- Footwear must be worn at all times (no bare feet or socks only)  
Slippers are acceptable, if worn at your desk only
- No spandex
- No facial piercings or facial tattoos
- Skirts must be professional in length, no higher than 5 inches above the bend in the back of the knee

Employees who are in doubt, or have questions about the specific personal appearance standards or dress code should consult their supervisor. Any employee who, in the supervisor's sole discretion, appears for work in a manner that does not conform to the Company's standards may be required to return home to obtain appropriate attire, and the period of absence may be treated as unpaid leave. Repeated violation of this policy may result in disciplinary action, up to and including discharge.

## **Voicemail, E-mail and Internet Use**

The voicemail, e-mail, computer systems and/or access to the Internet are provided by the Company to assist its employees in carrying out the business of the Company. The Company treats all messages, received or stored, as business messages, which the Company is entitled, if deemed necessary, to access, review, copy, delete, or save for any purpose and to disclose them to anyone that it deems appropriate. The Company may override any applicable password or codes in accordance with the best interests of the Company, its employees, clients, customers or visitors.

The internet is to be used for business purposes only and should not be utilized for personal reasons. Access to pornographic or other inappropriate websites is strictly prohibited.

Use of the voicemail, e-mail, computer systems, or internet to engage in communications against Company policy, such as unethical business practices, defamatory, obscene, offensive or harassing or otherwise inappropriate messages, is prohibited.

## **Telephones**

The proper use of telephone etiquette reflects our commitment to a high standard of customer service. In addition defined telephone skills are essential to the efficient operation of the Company.

We have therefore established the following standards to be followed when using the telephone during business hours.

### **BUSINESS CALLS:**

Incoming calls should be answered promptly and courteously

Calls should be forwarded to the appropriate person as quickly as possible. If unavailable, a detailed message should be taken for a follow up phone call.

Callers should not be placed on hold for long periods of time. It is important to check with the caller periodically to assess if they want to continue to hold.

Telephone messages are to be returned in a timely manner.

### **PERSONAL CALLS:**

Personal calls are to be kept to a minimum so as not to interfere with business calls.

Personal phone calls should be made during break time, unless there are extenuating circumstances.

Placing personal long distance phone calls that would result in charges to the company is strictly prohibited and could result in disciplinary action up to and including discharge.

Personal cell phone usage during work hours is prohibited.

## **Smoke Free Workplace**

In order to maintain a safe and comfortable working environment, the Company prohibits smoking throughout its workplace with the exception of specially designated areas.

All smoking areas will be clearly designated with signs. You are permitted to smoke in these areas only during your meal and break periods. Employees smoking in any non-smoking area may be subject to disciplinary action up to and including discharge.

## **Substance Abuse**

The Company is a drug free environment. Specifically, the Company is committed to having a workplace free from the improper use of narcotics and other controlled substances (commonly referred to as illegal drugs), the abuse of alcohol, and the misuse of legal or prescription drugs. Their sale, use, and abuse, when connected to the work environment threatens the safety, morale, and public image of both you and the Company. The following practices will be used to ensure a drug free environment:

1. No person will be hired who is an abuser, promoter, or seller of illegal drugs.
2. Use, presence in the body, sale, distribution or possession of illegal drugs by employees, while present on Company premises or during scheduled working hours, including break or meal periods, is strictly prohibited and is grounds for discharge.
3. An employee who is found to be involved in the sale, solicitation, or dealing of illegal drugs will be discharged.
4. An employee who is taking prescription medication or other legal drugs that might impair their physical or mental faculties should provide prompt notice of this fact to his/her supervisor. Employees should not report to work under the influence of any drug that creates an impairment or a safety risk

5. The use or possession of alcoholic beverages on Company premises, except for authorized events, is also prohibited. Reporting to work or working under the influence of alcohol is cause for discharge.

Any current employee who recognizes their own need for counseling or medical assistance due to dependence upon drugs or alcohol may voluntarily contact their supervisor or SOI's Human Resources Services Department at 1(888) 295-6957 to receive confidential assistance in determining what options are available and ways in which the Company may support his/her recovery.

## **Employee Assistance Program**

The Employee Assistance Program (EAP) provides confidential counseling and referral services to employees for assistance with such problems as drug and/or alcohol abuse or addiction.

It is in the best interest of the employee to voluntarily seek assistance from the EAP prior to reaching a point where poor judgment, performance, or behavior issues may lead to disciplinary action.

Participation in the EAP after the disciplinary process has begun will not have any effect on current or future disciplinary actions.

## **Performance Reviews**

The Company's goal is to review each employee's performance on a schedule established by the manager usually at ninety (90) days of employment and annually thereafter. A performance appraisal has the following main objectives:

1. To evaluate how the job has been performed, to discuss this performance with the individual concerned, and where possible to determine how it can be improved.
2. To evaluate short and long-term potential, set goals, which support Company and employee objectives, and determine a monitoring process for these goals.

You are encouraged to discuss your feelings about your job and your career goals. At the time of your performance evaluation you will be asked to review and sign the evaluation form. Your signature does not necessarily indicate agreement with the contents of that form but merely indicates that you have seen and understand the contents of the appraisal.

Merit increases are reviewed with performance appraisals but are not automatic, nor should they be expected. Increases are based on a number of factors including continued positive performance results and Company profitability.

## **Educational Tuition Reimbursement Program**

As an incentive to pursue job-related education, the MidAmerica Tuition Reimbursement Program provides financial support for approved educational activities on a reimbursement basis. After completion of one (1) year of service, full-time, regular employees are eligible to receive reimbursement for approved and accredited college level courses. Employees must submit a completed *Request for Tuition Reimbursement*



*Application* three (3) weeks prior to course registration for approval. Reimbursement will be provided, subject to management approval, upon completion of the approved course with a grade of “C” or better. Reimbursement is provided at 100% for course tuition and books as long as all conditions and requirements are met and the employee is still employed by MidAmerica upon completion of the course. If an employee terminates employment prior to course completion, 100% of the tuition and related costs will be the responsibility of the employee.

Requirements for eligibility for Tuition Reimbursement:

- The selected course or area of study must be related to an employee’s current job. It must directly support or improve skills required for current job duties or directly prepare the employee for advancement within MidAmerica.
- Tuition reimbursement is supplemental to other financial assistance for which employees may be eligible. Prior to submitting an application for tuition reimbursement, employees must investigate and apply for all alternate sources of tuition support and financial assistance for which they may be eligible.
- Employees must have received a performance evaluation rating of “meets expectations” or higher during the twelve (12) months prior in order to participate in the program.
- Courses must be taken outside of an employee’s regular work schedule.
- The maximum reimbursement limit per full-time employee is \$2,400.00 per year (\$1,200 per year for part-time employees working at least 30 but less than 40 hours per work week).
- Employees on Full Time unpaid or paid leave are not eligible.
- All grades and proof of payment must be submitted for reimbursement within thirty (30) days of completing the course. If an employee fails to submit the required documentation during this period, reimbursement may be denied and the employee may not be eligible to participate in the Tuition Reimbursement Program for one (1) calendar year from the end of the 30-day period.
- Tuition reimbursement may be defined as taxable income. Employees are to consult with the Internal Revenue Service to fulfill their tax liability. MidAmerica bears no responsibility and hereby indemnifies itself of any tax liability of the employee. A 1099 Miscellaneous form may be issued for each taxable year.

- The Tuition Reimbursement Program and budget are reviewed annually and are subject to change at the discretion of MidAmerica.

MidAmerica also provides a College Degree Completion Bonus Program, as follows:

Degree Completion Bonus Program*		
Type of Degree	Gross Bonus	Gross Annual Raise
Associate's	\$ 750.00	\$ -
Bachelor's	\$ 1,000.00	\$ 1,500.00
Master's	\$ 2,500.00	\$ 2,500.00

- Degree must be related to your job with MidAmerica and must be approved by management, in advance.
- College or University must be accredited by one of the United States Regional Accrediting Associations (ie; SACS).
- Employee must have completed 90 days of full-time service prior to graduation date.
- A minimum of one course must have been started and completed under MidAmerica's employ.
- A minimum GPA of 2.5 is required in order to qualify for bonus.

#### Industry Specific Licensing or Designations:

MidAmerica encourages employees to obtain industry specific licensing and professional designations (Life/Health/Variable Annuity Insurance license, Series 6 licensing, CEBS, LOMA, etc.) and provides the following bonuses and raises accordingly:

**LOMA** - \$200 bonus per exam passed. \$1,000 pay raise upon successful attainment of full LOMA designation.

**CEBS** - \$500 bonus per exam passed. \$1,000 pay raise upon successful attainment of full CEBS designation.

**Insurance License** (life/health/variable annuity) - \$200 bonus for exam passed. \$1,000 pay raise upon attainment of life/health/variable annuity insurance license.

**Securities Licenses** (series 6 & 63) - \$200 bonus per exam passed. \$1,000 pay raise upon attainment of Series 6 & 63 licenses (must acquire both to get \$1,000 raise).

MidAmerica reimburses all fees (including books) upon successful completion of a course. All courses must be completed on the employees' own time (not during paid working hours).

*\*Employees must be employed with MidAmerica for a minimum of 6 months before eligible to participate in this incentive program.*

## **Personnel Records**

The Company maintains personnel files on each employee. These files contain documentation regarding all aspects of the employee's tenure with the Company, such as applications, resumes, performance appraisals, disciplinary warning notices and beneficiary designation forms.

You may review your personnel file upon request in the presence of authorized personnel. Requests should be submitted to your supervisor.

It is important that the personal information maintained in your personnel file is kept up to date. You should notify your supervisor of any changes in personnel data. For example, notify your supervisor if you have a change in your personal status that would affect your benefit coverage, a mailing address or telephone number change or a change in your emergency contact.

## **Severe Weather**

At times, severe weather such as hurricanes and floods can disrupt Company operations. In extreme cases, these circumstances may require the closing of the office. If the office will be closed due to severe weather, you will be notified as soon as possible. If you are not notified of the office closing, you are expected to report to work as usual.

Time taken off due to poor weather conditions while the business remains open will be unpaid. Exempt employees may be provided time off with pay when necessary to comply with state and federal wage and hour laws.

## **References**

All written or verbal requests for references regarding current or former employees must be referred to a member of management of the Company. Employees are prohibited from supplying any information in response to such requests unless you are specifically authorized to do so by a member of Company management.

It is the Company and SOI's policy to only furnish or verify an employee's name, dates of employment and job title. No other information regarding a current or former employee will be provided unless the individual first provides written authorization.

## **Separation of Employment**

Should you decide to resign for any reason the Company requests, but does not require, that you provide as much notice as possible.

It is requested that you provide a minimum of 14-calendar days notice prior to your departure. This notice will allow for a smooth transition of your duties and working relationships.

Prior to your departure, the Company may request that you meet with a Company representative to provide work-related feedback on the Company. This will allow the Company to continue to evaluate their policies and practices and to improve such policies and practices if possible.

**Prior to your departure date, you will be required to return all Company documents, materials, and equipment. You will also be asked to turn in any outstanding expense reports, if applicable.**

No materials or documents should be copied or in any way duplicated and taken with you when you separate from employment.

## Receipt/Acknowledgment

*I have received a copy of the Employee Handbook and have read or had it read to me. If I have any questions regarding this handbook, I understand that it is my responsibility to ask my supervisor or other member of management about them. I recognize it is my responsibility to review the policies, practices, standards, and rules it contains, and I agree to comply with them during my employment.*

*I understand the information in this handbook is intended to acquaint employees with general policies, principles, standards, and procedures, and does not represent a contractual commitment by either SOI or MidAmerica Administrative & Retirement Solutions, Inc. (“the Company”) concerning terms of employment or other matters. Both SOI and the Company are free to act according to the best business judgment of management and to change, interpret, withdraw, or add to the policies, procedures, and standards described in this handbook at any time without prior notice, consideration, or approval by an employee. I further understand that this handbook is not a contract between SOI, the Company and me, nor is it a guarantee of any specific policies, procedures, standards, rules, or length of employment. I understand that my employment is considered “employment at-will” unless I may have otherwise entered into a contractual agreement with the Company. I understand that such an agreement, between the Company, and myself is not binding upon SOI.*

\_\_\_\_\_

**Date**

\_\_\_\_\_

**Employee Signature**

\_\_\_\_\_

**Employee Name Printed**

**To Supervisor:** Following the employee’s signature, place this page in the employee’s personnel file.