



DISCIPLINARY ACTION POLICY

As a matter of policy, all employees at Tate Engineering Systems are required to:

- Obey all established safe work rules and company policies;
- Attend and participate in designated safety training sessions; and
- Immediately report any unsafe acts, conditions or Company policy violations.

Failure to comply with any of these requirements will result in immediate disciplinary action as follows:

1st offense – The supervisor addressing the violation shall take immediate action to ensure that the unsafe act is stopped or unsafe/unhealthful condition is abated and the worker responsible for the violation receives a verbal warning. The supervisor will document the warning and place it in the worker's personnel file.

2nd offense – The supervisor addressing the violation shall take immediate action to ensure that the unsafe act is stopped or unsafe/unhealthful condition is abated and the worker responsible for the violation receives a written warning. A copy of the written warning shall be placed in the worker's personnel file.

3rd offense - The supervisor addressing the violation shall take immediate action to ensure that the unsafe act is stopped or unsafe/unhealthful condition is abated and the worker responsible for the violation receives a three (3) day suspension without pay. Documentation regarding the suspension shall be placed in the worker's personnel file.

4th offense – Occurrence of the same violation a fourth time shall be documented and placed in the worker's personnel file. The worker shall be discharged.

Tate Engineering Systems, Inc. recognizes that there are certain types of employee problems that are serious enough to justify either a suspension, or, in extreme situations, termination of employment, without going through the usual progressive discipline steps. This course of disciplinary action does not apply to managers or workers determined to be under the influence of alcohol or drugs (see the Alcohol & Substance abuse Policy).

The purpose of this policy is to state Tate Engineering Systems Inc.'s position on administering equitable and consistent discipline for unsatisfactory conduct in the work-place. By using progressive discipline, we hope that most employee problems can be corrected at an early stage, benefiting both the employee and Tate Engineering Systems Inc. Tate will act on this program based on planned and random inspection of facilities and jobsites by upper management and clients based on non-compliance to policies and procedures.

Tate Engineering Systems Inc.'s own best interest lies in ensuring fair treatment of all employees and in making certain that disciplinary actions are prompt, uniform, and impartial. The major purpose of any disciplinary action is to correct the problem, prevent recurrence, and prepare the employee for satisfactory service in the future.