

Rochester Acoustical Corp.

Staff Employee Handbook

Acknowledgement Form

This employee handbook has been prepared for your information and understanding of the policies, philosophies and practices and benefits of Rochester Acoustical Corporation. PLEASE READ IT CAREFULLY. Upon completion of your review of this handbook, please sign the statement below, and return to your personnel representative by the due date. A reproduction of this acknowledgment appears at the back of this booklet for your records.

I, _____, have received and read a copy of the Rochester Acoustical Corporation (The Company) Employee Handbook which outlines the goals, policies, benefits and expectations of The Company, as well as my responsibilities as an employee.

I have familiarized myself, at least generally, with the contents of this handbook. By my signature below, I acknowledge, understand, accept and agree to comply with the information contained in Employee Handbook provided to me by The Company. I understand this handbook is not intended to cover every situation, which may arise during my employment, but is simply a general guide to the goals, policies, practices, benefits and expectations of The Company.

I understand that The Company Employee Handbook is not a contract of employment and should not be deemed as such, and that I am an employee at will.

(Employee Signature)

Date

Equal Opportunity Statement

Rochester Acoustical Corp., is an Equal Opportunity Employer. This means that we will extend equal opportunity to all individuals without regard for race, religion, color, sex, national origin, age, disability, handicaps or veterans status. This policy affirms Rochester Acoustical Corp.'s commitment to the principles of fair employment and the elimination of all vestiges of discriminatory practices that might exist. We encourage all employees to take advantage of opportunities for promotion as they occur.

General Policies

Personnel Records

It is important that the personnel records of Rochester Acoustical Corp. be accurate at all times. In order to avoid issues or compromising your benefit eligibility or having W2's returned, Rochester Acoustical Corp. expects that employees will promptly notify appropriate personnel representative of any change in name, home address, telephone number, marital status, number of dependents, or any other pertinent information which may change.

Attendance

All time off must be requested in advance with at least one week notice and posted to the office shared calendar in Outlook. Excessive absences, including for Sick Leave, will result in disciplinary action, up to and including termination.

Sick/Personal Leave

Sick leave is payable the same as the employee's regular salary and is subject to the same withholding elections.

Sick/personal leave will be paid for up to five days per year. Past five days, it is at the discretion of management as to whether the absence will be paid. Any unused days will *not* be carried forward to a new year.

If an employee is unable to work due to illness, the employee must notify his immediate supervisor as soon as possible after the onset of the illness, and certainly, by the time the employee was to report to work.

Holidays

ROCHESTER ACOUSTICAL CORP. RECOGNIZES THE FOLLOWING HOLIDAYS: NEW YEARS DAY, GOOD FRIDAY, MEMORIAL DAY, JULY 4TH, LABOR DAY, THANKSGIVING AND CHRISTMAS.

Holiday observance for New Years, July 4th and Christmas: If a holiday falls on a weekend and the Federal Government has not designated a weekday for observance: the holiday falling on a Sunday shall be observed on Monday, and the holiday falling on a Saturday, shall be observed on Friday.

Vacation

Full-time and part-time employees are entitled to paid vacation after one-year of service. Part-time employees will receive prorated paid vacation hours based on the regular number of hours worked against an eight (8) hour workday. Vacation is earned at the following rate:

- 1-2 years of service = 5 days, accrued at .416/days per month
- 2-5 years of service = 10 days, accrued at .833/days per month
- 5-10 years of service = 15 days, accrued at 1.25/days per month
- 10+ years of service = 20 days, accrued at 1.66/days per month

A vacation request of five consecutive days or more is to be requested, approved at least one month in advance and posted to the general office calendar in Outlook. Your immediate supervisor can approve shorter periods, such as one day of vacation, one week in advance. Every effort will be made by Rochester Acoustical Corp. to accommodate vacation requests, unless business circumstances do not permit.

Long-term Disability

Long-term disability (LTD) benefits provide income continuation during periods of serious illness resulting in total disability. You are "totally disabled" if you are unable to perform your job due to major illness or accidental bodily injury. Rochester Acoustical Corp. employees bear no cost for this plan benefit.

The employees total disability period must exceed ninety (90) consecutive working days to qualify for LTD benefits; and all Sick Leave benefits must be exhausted before an employee can request LTD benefits.

Regular full-time employees of Rochester Acoustical Corp. working a minimum of 30 hours per week, are eligible for this benefit once they have completed ninety (90) calendar days of service. A detailed booklet of benefits will be provided to you separately.

Under LTD benefits, eligible employees are paid 60% of their normal base salary, not to exceed \$5,000/month. This means the employee will be paid based upon the regular rate of pay excluding overtime, bonus, vacation, and any other accrued paid leave or additional compensation. LTD benefits may not exceed 60% of base salary, unless augmented by available accrued vacation. If additional payments from worker's compensation or state disability, while you are on LTD benefits, increase your overall benefits to exceed 60%, your LTD benefits will be reduced accordingly.

Group health benefits will continue on the same basis as prior to the onset of LTD benefits. LTD benefits will be subject to all payroll withholding elections of the employee, which were in effect prior to the long-term disability.

It is important that an employee provide their supervisor with the treating doctor's statement as soon as you know an illness or injury will result in an absence greater than ten (10) days. The doctor's statement must identify the nature of your disability and the date you are expected to be able to return to work.

Upon returning to work, you must provide a release, or return to work form, from the doctor treating your illness or injury.

Workmen's Compensation

Employees who are injured on the job at Rochester Acoustical Corp. are covered by Worker's Compensation Insurance. It is your responsibility to immediately notify your supervisor of any injuries you sustain while on the job.

We encourage injured employees to seek immediate medical attention. All medical expenses related to the treatment of an injury, sustained on the job, are paid in full directly to the medical providers. After a specified waiting period, you are also eligible for disability payments set forth by state law, where necessary.

The Worker's Compensation plan is administered by a separate insurance company who will notify you directly.

Retirement Plan – 401(k)

Rochester Acoustical Corp. employees have the opportunity to participate in a retirement plan, which allows employees to save a portion of their compensation for retirement. After one year of service, employees are eligible to participate in the plan. Contributions to this plan are pre-tax dollars, which means the amount specified by the employee is taken from his/her salary before federal income is taken out. The employee is then taxed on the remaining salary, resulting in additional savings. It should be noted that any distribution from the 401(k) plan will be subject to tax, whether that be early or qualified distribution. Early distribution may also carry a monetary penalty. See your personnel representative for more details.

The Company contributes 1-5% of your salary into the Plan. You are required to match the 1-5% and are allowed to contribute a higher percent not to exceed an amount determined by the Government, which, as of this writing, is currently \$13,000/year. Changes in an employee contribution election are allowed quarterly at specific times of the month. Please see the Company administrator for details. Company and employee contributions are fully vested immediately. Employees are urged to seek advice from a financial expert prior to any distribution from the 401(k) plan. Distributions are allowed only upon employment termination or retirement.

Group Insurance

Due to increasing costs, Rochester Acoustical Corp. has set a limit of \$10,000.00 that will be paid out on behalf of an employee for health/dental group insurance. Any amount over this will be paid by the employee, via a payroll deduction.

Eligible employees are full-time employees who have completed ninety (90) calendar days of employment. Specific details on coverage and benefits are outlined in a separate handbook from the insurance carrier.

Safety and Accident Rules

Safety is a joint venture at Rochester Acoustical Corp. We provide a clean, hazard free, healthy, safe environment in which to work in accordance with the Occupational Safety and Health Act of 1970. As an employee, you are expected to take an active part in maintaining this environment. You should observe all safety rules and adhere to all safety instructions provided by your supervisor. Your work place should be kept neat, clean and orderly.

All work related accidents are covered by Worker's Compensation Insurance pursuant to the laws in the State of New York.

Jury Duty

We, at Rochester Acoustical Corp., support employees called to fulfill their civic duty to serve jury duty when called. You must provide your supervisor with a copy of your jury summons as immediately, as possible, upon receiving the summons. Your regular salary will continue as before jury duty for each day served, up to 40 hours per week, for a maximum of four (4) weeks.

Adequate proof of service must be provided in order to receive your regular salary during your absence for jury duty. When you return to work, you should provide your supervisor with verification from the court of the number of days you served on the jury. If you are released from jury duty with at least four (4) hours remaining in your workday, you should return to work for the remainder of the day.

Should extraordinary circumstances exist, at the time of your call to jury duty, which would make your absence severely detrimental to the operation of our company, we reserve the right to contact the court to request that your service be postponed.

Funeral Leave

Funeral leave is at the discretion of Rochester Acoustical Corporation's management.

Maternity Leave

Rochester Acoustical Corp. employees are allowed up to six (6) weeks of leave after they have given birth to or following the adoption of a child. During this time, such employees will be paid according to the State disability plan. Additional time may be allowed under extraordinary circumstances (see Sick/Personal Leave) at the discretion of Rochester Acoustical and within compliance of the Family Medical Leave Act.

Use of Company Property

Abuse of company property can/may result in disciplinary action or termination. No personal use of company equipment will occur without notifying warehouse manager and/or chief superintendent.

Construction materials taken for personal use are to be authorized by management.

Performance Reviews

At the end of your ninety (90) day probationary period, your immediate supervisor will give you a performance review. Upon satisfactory completion of this period, your insurances will be added to your compensation package. All performance reviews are based on merit, achievement, job description fulfillment and performance at your position. Wage increases will be based on this review, as well as past performance improvement; dependability; attitude; cooperation; any necessary disciplinary action; adherence to all employment policies; and your position in your salary range. Wage increases occur in June of each year and are at the discretion of management.