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## **Employee Handbook**

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# STSC Employee Handbook

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## **AT-WILL EMPLOYMENT RELATIONSHIP**

THE SUPERIOR TECHNOLOGY SOLUTIONS, INC. (STSC) EMPLOYEE HANDBOOK IS NOT CONTRACTUAL AND SHOULD NOT BE RELIED UPON AS A CONTRACT. IN ADDITION, STSC REMAINS FREE TO CHANGE ANY EMPLOYMENT BENEFIT OR OTHER CONDITION OF EMPLOYMENT AT ANY TIME. IT IS IMPORTANT THAT YOU UNDERSTAND THAT NOTHING IN THIS HANDBOOK CONSTITUTES A PROMISE OR GUARANTEE AS TO THE TERMS AND CONDITIONS OF YOUR EMPLOYMENT WITH STSC.

ALSO, NOTHING IN THIS HANDBOOK CONSTITUTES A PROMISE OR GUARANTEE AS TO THE DURATION OF YOUR EMPLOYMENT WITH STSC. JUST AS YOU ARE FREE TO LEAVE YOUR EMPLOYMENT WITH STSC AT ANY TIME AND FOR ANY REASON, STSC HAS THE RIGHT TO TERMINATE YOUR EMPLOYMENT AT ANY TIME, WITHOUT PRIOR NOTICE, AND WITH OR WITHOUT CAUSE. OUR EMPLOYMENT RELATIONSHIP IS BASED ON THE MUTUAL CONSENT OF EACH PARTY AND EITHER YOU OR STSC MAY TERMINATE THE RELATIONSHIP AT ANY TIME. THIS IS KNOWN AS EMPLOYMENT AT-WILL.

## **Introduction**

The STSC Employee Handbook ("Handbook") is a summary of policies, practices, and programs that may affect you during your employment with the company. It is your responsibility to read the entire Handbook and ask your manager, the U.S. Shared Services Center, or your Human Resources representative (if not supported by the U.S. Shared Services Center) where you can get clarification about any information you do not understand.

The information contained within the Handbook is not intended to confer contractual rights of any kind upon any employee or to create contractual obligations of any kind for STSC. The company may elect to maintain these policies indefinitely. However, as STSC believes necessary or appropriate, its policies, practices, or programs may be supplemented, revised, or discontinued at any time at STSC's sole discretion, with or without notice. The Handbook is annually reviewed and updated. Since it is not always possible to keep the Handbook current, you should ask your manager, the U.S. Shared Services Center or your Human Resources representative (if not supported by the U.S. Shared Services Center) for current information.

This Handbook does not contain the complete terms or conditions of any of STSC's current policies; it is meant to provide general explanations. More specific details of the policies are contained in the specified HR Policies attached to this book.

In an instance of conflict between this Handbook and the applicable policy, the policy provisions will govern. This Handbook supersedes all prior Handbooks.

## **About STSC**

Since STSC was formed in 2003, the company has grown into a world-leading organization. STSC helps clients achieve strategic goals and profit from the use of information technology. With the broadest range of capabilities, STSC offers clients the solutions they need to manage complexity, focus on core businesses, collaborate with partners and clients, and improve operations. STSC makes a special point of understanding its clients and provides experts with real-world experience to work with them. STSC is vendor-independent, delivering solutions that best meet each client's unique requirements. For over seven (7) years, clients in industries and governments worldwide have trusted STSC with their business process and information systems outsourcing, systems integration and consulting needs.

At STSC, you will be working with staff who have distinguished themselves in a wide range of fields. STSC's diversity of cultures, clients, and career opportunities makes it a unique place to grow your career. STSC's strength is in the composite identity of its diverse workforce. We recognize that it takes many points of view to solve a broad range of business and technical challenges. People with a wide range of talents from many different cultures and backgrounds offer diverse perspectives and exchange ideas that lead to unique, innovative client solutions.

STSC's exceptional performance and outstanding accomplishments are the direct result of the work done by people such as yourself. Our continuing success is due to the individual contributions of our staff and to the management philosophy that guides our efforts. This philosophy is expressed in the management principles set forth on the following page.

Read more about STSC's development by visiting [www.STSC.com](http://www.STSC.com)

# EMPLOYMENT PRINCIPLES

## **STSC's Mission and Management Principles**

The mission of STSC is to be a global leader in providing technology-enabled business solutions and services. This demands that we make an absolute commitment to excellence in our performance. We will achieve our mission by observing these principles:

- We commit to client satisfaction as our most important business objective.
- We recognize that STSC's accomplishments are the work of the people who comprise STSC. We will encourage initiative, recognize individual contribution, treat each person with respect and fairness, and afford ample opportunity for professional growth.
- We require the highest standards of professionalism and technical competence from our people.
- We will maintain the highest standards of ethics and business conduct and operate at all times within the laws of all countries in which we do business.
- We will proactively pursue new business opportunities, and commit to success in each undertaking.
- Our success as a company requires that we achieve financial performance consistent with these principles and commensurate with a leadership position in our industry.

## **STSC Values**

STSC has established principal values to manage the manner in which we achieve results with our business objectives. Employees are evaluated on the following values during the annual performance review cycle:

### **WE BELIEVE IN THE POWER OF COLLABORATION**

because we know that working together yields inspiring results.

- **WE RESPECT DIVERSE PERSPECTIVES**  
because varied viewpoints foster innovation and growth.
- **WE ENCOURAGE UNCONVENTIONAL THINKING**  
because we know our creativity and ingenuity can help us translate ambitions into reality.

- **WE STAND ON OUR INTEGRITY**  
because we acknowledge that trust and respect enable us to go beyond expectations.
- **WE EMBRACE RESPONSIBILITY**  
because we have a profound sense of commitment to our clients, colleagues and the world around us.
- **WE COMMIT TO CLIENT PARTNERSHIPS**  
because we are passionate about building strong connections that fuel our shared success.
- **WE TAKE PRIDE IN OUR PEOPLE**  
because STSC employees are the core of our success.

### **Diversity Statement**

We value the diversity of our employees and the unique perspectives they bring to STSC. Diversity at STSC not only includes age, race, sex, sexual orientation/gender identity, genetic information, disabilities, and ethnicity, but also jobs and functional roles within the company, the markets and clients we serve, our geographic locations, educational background and whether one joined STSC independently or through an acquisition or outsourcing arrangement. By valuing these differences, we demonstrate our commitment to treating everyone with fairness and respect.

STSC's Global Diversity Council supports and continually develops the Global Diversity Program, which promotes an inclusive working environment where employees have the opportunity to contribute, develop and meet their personal career objectives. The focus of this program is to create a global cultural awareness through program initiatives that remind employees to recognize and respect differences. Employees have access to regional and global Employee Resource Group forums where employees with similar professional interests and shared perspectives advance best practices and network across the company in planned and sponsored activities..

### **Equal Employment Opportunity (EEO) Policy**

It is STSC's policy to take affirmative action to seek, employ, and retain the most qualified individuals in all of its facilities; to provide equal opportunity for the development and advancement of all employees; and to engage in these and all other company-sponsored activities without unlawful discrimination on the basis of race, color, religious creed, national origin, citizenship, marital status, sex, sexual orientation/gender identity, being over age forty,

genetic information, disability, and protected veteran status (i.e., disabled veteran, Armed Forces service medal veteran, recently separated veteran, or other veteran who served during a war, or in a campaign or expedition for which a campaign badge has been authorized).

For additional information, review ***HR004 – STSC Policy on Sex-Based Discrimination of Employees.***

### **Code of Ethics**

STSC has established certain principles and ethics by which all employees must conduct themselves. If you have any questions regarding STSC's Code of Ethics and Standards of Conduct or would like to report a suspected violation, you should The Department of Human Resources.

STSC employees with questions or complaints regarding accounting, internal accounting controls, or auditing matters should follow the same procedure.

### **Drug and Alcohol-Free Workplace**

It is the policy of STSC to maintain a productive workforce and a safe work environment that is free of illegal drugs and alcohol. To emphasize the importance of a safe work environment, STSC has established an awareness program addressing employee assistance, supervisory training, employee education, detection, and enforcement.

In accordance with the Drug-Free Workplace Act, STSC distributes a Substance Abuse Policy, ***See HR002- Substance Abuse Policy*** to employees notifying them of prohibited conduct. The unlawful or unauthorized possession, use, distribution, manufacturing, purchase, dispensing, or sale of illegal drugs, drug paraphernalia or alcohol anywhere on STSC premises, while on company business (whether or not on STSC premises), or while representing the company, is strictly prohibited. Employees are prohibited from reporting to work or working while they are using or under the influence of alcohol or any controlled substances, except when the use of the controlled substance is prescribed by a licensed health care provider who has authorized the employee to report to work. Illegal drugs are defined as controlled substances which are not legally obtainable, or which are legally obtainable but which have not been acquired and/or used pursuant to a valid prescription or otherwise authorized by law.

You will be subject to termination from STSC if:

- You are directly observed engaging in any of these actions on STSC or client premises;
- If you acknowledge engaging in such actions on STSC or client premises; or

- If your management evaluates available evidence and concludes that you have been involved in such prohibited conduct on STSC or client premises.

If you are using a drug that has been prescribed for you, you may wish to alert your management of potential side effects that could affect your performance or conduct.

If you have questions regarding STSC's drug policy, refer to Human Resource Policy, **HR 002, STCS Substance Abuse Policy** or contact ***The Department of Human Resources***.

### **Harassment Policy**

STSC is committed to providing a work environment for its employees, customers, contract employees, and suppliers free from sexual harassment, as well as harassment or intimidation on the basis of race, color, religious creed, national origin, citizenship, marital status, sex, sexual orientation/gender identity, being over age forty, genetic information, disability, and protected veteran status (i.e., disabled veteran, Armed Forces service medal veteran, recently separated veteran, or other veteran who served during a war, or in a campaign or expedition for which a campaign badge has been authorized).

Such harassment, whether verbal, physical or visual (including electronic transmissions), is prohibited in the workplace. Prohibited conduct includes, but is not limited to, insulting or offensive comments, slurs, and other verbal, visual or physical conduct relating to an individual's protected status. Additionally, behavior that could be considered sexual harassment includes, but is not limited to, unwelcome sexual advances, requests for sexual favors, sexually-oriented jokes or remarks, physical contact, and displaying or disseminating sexually-oriented material. Conduct need not be intended to harass in order to result in harassment. It need only be unwelcome and offensive to the recipient or others. The workplace for purposes of this policy includes STSC premises (e.g., all work locations controlled by STSC, a customer, supplier or subcontractor), or any location where work-related activities are being conducted, and travel to or from any of these locations.

Early reporting and intervention have proven to be the most effective method of resolving actual or perceived incidents of harassment. Therefore, if you believe that you are being subjected to or have knowledge of unlawful harassment, discrimination, or retaliation, it is your responsibility to immediately:

- Tell the other person when his/her behavior is considered inappropriate and unwelcome and ask the person to refrain from such behavior; or
- Report the facts of the incident and the names of the individuals involved to your supervisor, a department head, or a member of the Human Resources department. If the supervisor is the source of the prohibited harassment, or if the supervisor is unwilling or

unable to assist, Human Resources should immediately be contacted.

In order to conduct a timely and thorough investigation, STSC requires the full cooperation of the individual bringing forward the concern. All complaints of harassment will be promptly and thoroughly investigated. By surfacing the problem, you enable STSC to properly investigate and take immediate and appropriate corrective action as described in *STSC's HR Policy HR003, Policy on Sexual Harassment*. Such corrective action measures may include disciplinary action against any employee found to have violated this policy. STSC will not tolerate retaliation against individuals who report or witness harassing behavior, and will take disciplinary action against any STSC employee who engages in retaliatory conduct.

All employees have an obligation to identify and bring potentially harassing behavior to the attention of responsible management whether the alleged offender is a coworker, supervisor, customer, or vendor. Individuals who have experienced conduct that they believe is contrary to this policy have an obligation to use this complaint procedure.

For additional information, refer to *HR003 Sexual Harassment* or contact *the Department of Human Resources*.

### **Open Door Policy**

STSC recognizes that decisions on operational and administrative related issues can result in differences of opinion. STSC is committed to a communication process that is as flexible and informal as possible, yet maintains an orderly flow of information. The following practice should be used to resolve employee conflicts:

- To report or resolve an issue, you are encouraged to initially contact your immediate supervisor.
- If your supervisor is unable to resolve the issue, you should contact your second-level supervisor.
- If your second-level supervisor is unable to resolve the issue, you are then encouraged to contact a member of management at any level or a Human Resources representative.

This practice should be followed to resolve all issues except those involving harassment, which are to be handled in accordance with the instructions in the **Harassment** section above.

You should report unsafe workplace conditions immediately to your supervisor, local safety officer, or facilities manager.

Further, any conduct which physically harms, or threatens to harm, any person or property, including intimidation, physical altercations, threats (whether verbal or written), vandalism,

and possession or use of firearms, weapons, or explosives will not be tolerated. Employees engaging in this prohibited behavior will be subject to disciplinary action in accordance with STSC's Employee Conduct policy (refer to **Section 5, General Standards** of Conduct). If you have knowledge of such behavior occurring in the workplace, it is your responsibility to immediately contact your supervisor or Human Resources representative as soon as possible. By surfacing the problem, you enable STSC to investigate and to take immediate and appropriate corrective action.

### **Corporate Responsibility**

Corporate Responsibility ("CR") is an essential component of how STSC conducts business. CR embraces all aspects of STSC business from delivering superior service to customers, increasing shareholder value, providing a decent work environment to employees, optimizing resources, lowering operating costs, minimizing our environmental impact, and supporting the communities in which we do business. STSC's CR global reporting and activities are organized into five areas: Clients, Employees, Environment, Community, and Governance. STSC is committed to ensuring that our global operations contribute to the sustainability of our world for future generations.

# EMPLOYEE BENEFITS

STSC offers eligible employees a wide range of paid leaves of absences and employee paid programs.

## **Employment Classifications and Benefits Eligibility**

The following information provides a definition and description of benefits available for employees based on employment classifications.

**Regular Full-Time Employee** - You are a regular full-time employee if your employment is for **an indefinite** period and you are regularly scheduled to work for at least 30 hours per week. As a regular full-time employee you are:

1. Eligible to participate in all STSC benefit plans, except where specifically excluded; - eligible for leaves of absence provided by STSC;
  2. Eligible to receive paid vacation and sick leave. If you are scheduled to work fewer than 40 hours per week, your paid vacation and sick leave will be prorated based on the regularly scheduled number of hours in your normal workweek.
- **Regular Part-Time Employee** - You are a regular part-time employee if your employment is for an indefinite period and you are regularly scheduled to work fewer than 30 hours but at least 20 hours per week. As a regular part-time employee you are:
    1. Eligible to participate in the Matched Asset Plan, except as specifically excluded;
    2. Eligible to receive paid vacation and sick leave, which will be prorated to the regularly scheduled number of hours in your normal workweek;
    3. Eligible for all leaves of absence provided by STSC;
    4. Eligible for service and recruiting awards provided by STSC.

You are not eligible for participation in any other benefit plan offered by STSC.

- **Temporary Full-Time Employee** - You are a temporary full-time employee if you are scheduled to work at least 30 hours per week for a period not to exceed six consecutive months. As a temporary full-time employee, you are:

1. Eligible for all leaves of absence provided by STSC, except where specifically excluded; and - eligible for recruiting awards provided by STSC.

You are not eligible for paid vacation, sick leave, or any other benefit plan offered by STSC. However, in the event you become a regular employee without an interruption in service, STSC retains your most recent date of hire as your service date and leave accrual date. STSC will then retroactively calculate your vacation and sick leave hours (based on your workweek code while in a temporary status not to exceed six months) to your most recent date of hire, and credit the hours to your account.

- **Temporary Part-Time Employee** - You are a temporary part-time employee if you are scheduled to work less than 30 hours per week, but at least 20 hours per week, for a period not to exceed six consecutive months. As a temporary part-time employee you are:

1. Eligible for all leaves of absence provided by STSC, except where specifically excluded; and - eligible for recruiting awards provided by STSC.

You are not eligible for vacation, sick leave or any other benefit plan offered by STSC. In the event you become a regular employee without an interruption in service, STSC retains your most recent date of hire as your service date and leave accrual date. STSC will then retroactively calculate vacation and sick leave hours (based on your workweek code while in a temporary status not to exceed six months) and credit them to your account.

- **Casual Employee** - You are a casual employee if you work only on an as-needed, call-in basis. As a casual employee you are:

1. Paid for actual hours worked, but do not accrue STSC service;
2. Eligible to receive an unpaid leave of absence due to military service or jury/witness duty, or for reasons addressed by the federal Family and Medical Leave Act (FMLA) and applicable state and local laws; and

3. Eligible for recruiting awards provided by STSC.

If you work each workday for a continuous period of 26 weeks, Human Resources will review your status to determine if you may continue as casual for a maximum of an additional 26 weeks or whether your position should be reclassified. You are not eligible for participation in any other benefit plan offered by STSC.

**Paid Vacation**

STSC provides paid vacation for all regular full-time or part-time employees to facilitate rest and relief from everyday work routine or to attend to personal business that must be transacted during the employee's scheduled business hours. STSC encourages you to take your vacation time on a regular basis.

Your years of credited service determine the rate at which you accrue vacation and the amount that may be accumulated at any time.

The schedule below outlines the rate of accrual for paid vacation:

<b>Length of Service</b>	<b>Maximum Accrual</b>
First through third year of service	80 hours (2 weeks of leave)
Fourth through Six years of service	120 hours (3 weeks of leave)
Seven years through Infinity	160 hours (4 weeks of leave)

**Employees will not be able to carry-over more than one week (40 hours) of vacation pay each calendar year. Any vacation leave in excess of 40 hours will be lost.**

A change in your employment status may affect your vacation accrual. If you change from temporary to regular status following an uninterrupted period of temporary employment, vacation hours will be calculated retroactively, based on your workweek code while in a temporary status, to your most recent date of hire not to exceed six months. If you change from regular to either temporary or casual status, your accrued, credited vacation will be paid to you upon your change in status. When you leave STSC, you will receive pay for all accrued, vested, and unused vacation at your current base rate of pay.

Your immediate supervisor must approve all requests for leave in advance. Vacations are to be scheduled at the convenience of STSC and the employee. Every effort will be made by STSC to allow you to take vacations at the time you request. The entire vacation period need not be taken at one time; it may be separated into more than one period to be taken during the year. Vacation pay is generally granted only for actual periods of vacation

absences.

Employees must use accrued vacation hours for vacations and personal reasons. Unpaid leave cannot be substituted for vacation hours, if the employee has accrued vacation hours totaling a full workday.

If you receive lost time benefits through an approved workers' compensation claim, all unused accrued sick and vacation leave as of the date the workers' compensation benefits commence will be retained. However, you may integrate paid sick and vacation leave with workers' compensation benefits

### **Sick Leave**

STSC provides five (5) days of paid sick leave to all regular full-time and part-time employees. You can use this time to visit the doctor or dentist and to cover time you cannot work due to illness or injury. You can also use sick leave to care for an ill immediate family member for whom you have sole responsibility and must provide ongoing physical care on a day-to-day basis, such as a spouse or dependent child. Unpaid leave cannot be substituted for sick leave hours, if the employee has accrued sick leave hours totaling a full workday.

Sick leave accrual begins on the first week of your employment. There is no limit to the amount of sick leave that you can accumulate.

If you receive lost time benefits through an approved workers' compensation claim, all unused accrued sick and vacation leave as of the date the workers' compensation benefits commence will be retained. However, you may integrate paid sick and vacation leave with workers' compensation benefits

### **Holidays**

All regular and temporary full-time and part-time employees are eligible for holiday pay. If you are on an authorized leave of absence without pay during an observed holiday, you will not be eligible for holiday pay.

Within the United States, STSC observes nine paid holidays each calendar year, including eight regularly scheduled holidays and one floating holiday subject to operational needs and management discretion. Unless required by continuing company operations, you are not expected to work on these days. If you are assigned to a customer site or facility, your holidays may vary from this schedule. Holidays falling on Saturday will usually be observed on Friday, and holidays falling on Sunday will usually be observed on Monday.

Generally, the following holidays will be observed at most STSC work locations:

New Year's Day	Labor Day
Martin Luther King's Birthday	Veteran's Day
President's Day	Columbus Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

If you are a full-time non-exempt employee whose normal work schedule is 40 hours per week, holiday pay is eight hours pay at your current base rate of pay. If you are a regular or temporary non-exempt, part time or full-time employee whose normal work schedule is fewer than 40 hours per week, you will receive holiday pay consisting of a pro rata share (based on your workweek code) of eight hours pay. If you are an exempt employee, your salary will not be affected by the observance of a STSC/customer holiday.

If you are a non-exempt employee who is required to work on a scheduled holiday, you will receive time and one-half for all hours worked on the holiday, in addition to holiday pay. If you are an exempt employee who is required to work on a scheduled holiday, you will be permitted to observe that holiday at a later date within the same payroll year, based on approval by your supervisor.

#### **Religious/Special Observances**

The religious beliefs and practices of employees will be accommodated provided that work schedules are not disrupted, and the time off is charged to paid vacation or leave without pay, if vacation hours are unavailable. These absences should be arranged with the employee's supervisor in advance of the planned absence.

#### **Leaves of Absence With Pay**

STSC may authorize paid leaves of absence to eligible employees under stipulated conditions (see **Vacation, Sick Leave, and Holidays** sections above for information on these paid leave categories). All regular and temporary full-time and part-time employees are eligible for leaves of absence with pay within this section.

Where feasible, for all paid leaves of absence, you must provide your supervisor, with a written request in advance of the leave that specifies the expected duration of the leave. Your supervisor or a Human Resources representative must approve all paid leaves of absence. For any paid leaves of absence in excess of eight hours, you may be required to complete a

Categories of Leaves of Absence with Pay include the following:

- **Family and Medical Leave** - Refer to Section 4, **Family and Medical Leave (Paid and Unpaid)**.
- **Emergency Leave** - An emergency leave of absence may be granted because of the death, critical illness (usually considered life-threatening but unrelated to a routine or corrective surgery), or critical injury (usually considered life-threatening but unrelated to a routine or corrective surgery) of a member of your immediate family (including spouse, same-sex domestic partner, parent, child (including a child of a domestic partner), brother, sister, grandparent, grandchild, or any of these in a step or in-law relationship, legal guardian or legal ward). If you are required to travel within a 400-mile radius of your work location, leave may be granted for up to three working days. If you are required to travel beyond 400 miles, leave may be granted for a period of up to five working days. If you need additional time off, you may be able to use accrued sick or vacation leave or leave under FMLA.

An emergency leave of absence also may be granted when natural disasters, inclement weather, or other unforeseen events result in the closing of a STSC facility, a client/customer facility, or STSC designated work location and no suitable alternative work site is available for the employee, as defined by the employee's management.

- **Jury Duty** - Time off for jury duty is granted to all employees in accordance with applicable law. In the event you are required to serve jury duty, STSC will pay the difference between your normal base salary or your regular hourly rate of pay, and jury duty pay (exclusive of the court's mileage reimbursement) for the maximum number of days per year which has been established for Business Unit, unless applicable law requires otherwise.

To receive this pay, you must furnish your supervisor and the U.S. Shared Services Center or your Human Resources representative (if not supported by the U.S. Shared Services Center) with evidence of having served on jury duty, including a copy of the jury duty pay voucher or stub indicating the dates of jury duty. The amount of pay that you receive for jury duty will be subtracted from your regular pay. If jury duty extends beyond any allotted paid leave, you may use accrued vacation leave or you may take leave without pay for the remainder of the jury duty assignment.

Employees covered under a collective bargaining agreement may have different leave allowances for jury duty.

- **Witness Duty** - If you are subpoenaed as a witness to a civil or criminal court action (but not appearing as a party to the action), you are eligible for compensation for scheduled work time missed in order to provide necessary testimony. You are expected to make a good faith effort to limit the amount of working time missed by attempting to have your testimony scheduled during non-working time. In order to receive this pay, you will be expected to furnish your supervisor with a copy of the subpoena the first working day after you have received the subpoena.

Employees covered under a collective bargaining agreement may have different leave allowances for witness duty.

- **Military Reserve/National Guard Service** - As a member of the Military Reserves or National Guard, you will be paid for a maximum of 10 working days per government fiscal year in order to fulfill annual training commitments. Your compensation will be the difference between your normal base salary or regular hourly rate of pay, and the amount paid to you by the government. You will be eligible to receive this compensation on an annual basis during the entire period of your association with the Reserves or National Guard.

**STSC may modify its compensation and benefits** practices for employee Reservists or members of the National Guard under circumstances specified by the Corporate Vice President of Human Resources, such as involuntary activation and/or mobilization in support of national security or activation in support of domestic emergency situations.

- **Verification of Medical Condition/Certification** - You may receive compensation for time lost from work as a result of undergoing any medical evaluation specifically directed by STSC for the purpose of verifying a physician's evaluation or certification of your medical condition, or determining fitness for duty.
- **Relocation** - If you are participating in a STSC-supported relocation, you may be eligible to receive paid leave for a maximum of four days, in order to pack and unpack your belongings.

# **WORK HOURS, PAY, and EXPENSES**

## **Work Hours, Meal Periods, and Break Periods**

STSC has established core working hours in order to best serve its clients. Your supervisor will explain the office hours designated for your work location. Meal and break periods will be provided during your regular workday in accordance with federal, state and local laws, and regulations.

## **Attendance**

Employees are expected to report to work on time each day. If you are ill, tending to an ill family member (*see HR005, Policy on Family and Medical Leave* for permitted use of paid sick leave), or if you encounter an emergency that would prevent you from reporting to work or cause you to be late to work, you must immediately attempt to contact your supervisor to notify him/her of the situation. An unsatisfactory absence or tardiness occurrence may result in disciplinary action.

## **Timekeeping and Expense Reporting**

Employees are required to accurately record all hours worked on authorized STSC work activities and to ensure that travel expenses are recorded accurately and documented thoroughly to ensure that all customers are billed properly. Employees are required to record work hours on a daily basis.

STSC Business Units use an on-line time recording system, JournyX, to account for working hours. Contact your local Human Resources representative if there are any questions related to the operation of JournyX.

## **Telework or Telecommuting**

STSC will consider workforce and workplace arrangements that prove beneficial to both the company and employees. Among these considerations are maximizing the productivity and commitment of staff, providing optimal support to customers, facilitating teamwork, utilizing real estate holdings efficiently, addressing staff commuting issues, and examining overall environmental concerns. STSC therefore considers Telework to be a viable alternative work arrangement for cases in which individual, job, supervisor, and customer requirements are best suited for or support such an arrangement. Telework or telecommuting is an alternative work arrangement that allows an employee to work all or part of a work schedule at a location other than a STSC or customer facility (e.g., while traveling, at home, or at multiple locations). Telework may only be appropriate for some employees and some jobs.

### **Pay Periods**

Paychecks are generally issued the 15<sup>th</sup> and 30<sup>th</sup> of every month. Employees are required to work 15 days prior to receiving their first paycheck.

### **Direct Deposit Payroll and Electronic Pay Stub (Remuneration Statement)**

Direct Deposit is the company standard for delivery of your pay and is the most convenient way to receive your pay. Direct Deposit allows your net pay to be deposited directly into your savings or checking account at the bank or credit union you designate. This process simplifies the deposit of your check when you are traveling on business or absent from work for other reasons by allowing you access to your pay on the date it is deposited.

In addition to direct deposit, STSC conveniently provides pay stub information on-line through an electronic pay stub. Through a secure Internet portal, electronic pay stub provides the same information as a traditional paper pay stub including gross pay, all deductions, and the net pay that was deposited into your account. You can view the amount deposited to your account and how much was taken out of your pay for taxes, insurance, and other items.

### **Wage Garnishments**

STSC will follow state law requirements to make deductions from your paycheck for wage garnishments or other judgments made against you in a legal proceeding.

### **Compensation Program**

STSC establishes salary structures and a merit salary review program that recognizes and rewards you for your performance and contributions to the success of STSC. Employees are classified as either exempt from the overtime provisions of the Federal Fair Labor Standards Act (FLSA) or non-exempt from the provisions of the Act. The rules for classifying employees are set by the FLSA and its regulations and depend upon the nature of the work performed. Non-Exempt employees are paid based upon the number of hours worked (within the meaning of the FLSA and its regulations) and are subject to the overtime provisions (see Overtime Pay for Non-exempt Employees section below). Exempt employees are not subject to the overtime provisions of the FLSA.

- **Performance/Salary Reviews** -.Your supervisor will review your job performance to help assess whether you are meeting job expectations and your own career development objectives. STSC encourages frequent informal and formal performance-oriented communication between you and your management. Every employee shall receive an annual performance appraisal using the STSC Global Performance Appraisal Review System on n the STSC portal, except where exceptions have been noted by policy. Additional appraisals may be completed as deemed appropriate by the appraiser. The amount and

frequency of salary increases are based on both:

1. Your ability to maintain or improve performance; and
2. Your position within the salary range and established salary increase budgets.

If your overall performance is appraised as "Below Expectations" whether in your formal annual review or at any other time, a Performance Improvement Plan ("PIP") will be prepared and issued. If your overall performance is appraised as "Partially Meets Expectations," a PIP may be issued within twenty (20) working days of the annual appraisal meeting, at the appraiser's discretion and in consultation with Human Resources. In the event a PIP is not issued, a reevaluation of your performance must occur six months after the annual appraisal meeting. If the overall rating of the second appraisal is "Partially Meets Expectations" or "Below Expectations", the appraiser will complete a PIP within twenty (20) working days of the second appraisal meeting. A copy of the PIP will be provided to the appropriate Human Resources Business Unit for approval and inclusion in your personnel file.

A PIP will outline specific performance deficiencies and will provide guidance on remedying these deficiencies. The duration of a PIP is generally between 30 and 90 days. During this period, your management will monitor and evaluate your performance. If your performance does not improve sufficiently, the duration of the plan can be extended. Other management action can also be taken, including reassignment to another position or supervisor, demotion, or termination of employment.

- **Shift Differentials** - If you are an employee who is regularly assigned to perform work on a second or third shift, you may receive a shift differential. Each facility determines eligibility criteria and differential rates.
- **Overtime Pay for Non-Exempt Employees** - All non-exempt employees will receive overtime compensation of *ten percent of hourly rate* worked in excess of 40 hours in any one workweek in accordance with the provisions of the FLSA, and will be paid in accordance with the provisions of any applicable state or local statute or regulation. The regular hourly rate includes:
  1. Any differential payments, such as shift differentials, sea pay, inconvenience pay, hazardous duty pay or flight pay; and
  2. All bonuses except those that are specifically excluded from overtime calculations in the Fair Labor Standards Act or as otherwise provided by

applicable state or local statute or regulation.

Hours worked include not only the hours you actually worked, but also any hours paid as the result of an observed STSC approved holiday, jury duty, witness duty, or verification of medical condition/certification.

- **Call-In Pay for Non-Exempt Employees** - Non-exempt employees may periodically be called back to work after completing their normal workday, or called in on a day on which they are not scheduled to work. Pay practices in such situations are determined by local procedures in accordance with the FLSA and any applicable state or local statutes.

## LEAVES OF ABSENCE WITHOUT PAY

STSC grants limited unpaid leaves of absence to all regular and temporary full-time and part-time employees. Casual employees are eligible to receive an unpaid leave of absence due to military service, jury/witness duty, or for reasons addressed by the Federal Family and Medical Leave Act, or as otherwise required by law.

Where feasible, for all unpaid leaves of absence in excess of eight hours (other than furlough, as described in this section), you must provide advance written notice to your supervisor specifying the expected duration of the leave. Unpaid leaves of absence due to personal reasons, educational studies, and special assignment must be approved by your supervisor and Human Resources prior to the commencement of the leave. All other leaves of absence without pay will be reviewed by Human Resources.

### Categories of Unpaid Leave

- **Family and Medical Leave (Paid and Unpaid)** - Eligible employees may be granted leave within a 12-month period counting forward from the first occurrence of a FMLA-qualifying leave. An employee is eligible for their next 12 weeks of leave beginning on the first date FMLA leave is taken after completion of any previous 12-month period. For example, if an employee begins taking FMLA on February 1, 2010 for 12 weeks ending on April 26, 2010, the employee is next eligible for FMLA beginning on February 1, 2011.

STSC employees receiving FMLA leave will be required to use all accrued paid leave (sick and vacation) in accordance with established guidelines governing the use of paid leave. If you are enrolled in the voluntary employee-paid Short-Term Disability ("STD") or Long-Term Disability ("LTD") benefit plan, you are not required to file a claim and may use paid leave for the entire FMLA covered absence. However, if you decide to file disability a claim for applicable disability benefits, you will use accrued sick leave and/or vacation leave during your STD or LTD elimination period. After the disability elimination period has expired, the use of sick and vacation leave will cease and any sick and vacation leave you have accrued up to that date will be held in suspense until you return to work. You are not entitled to use sick and vacation leave in lieu of disability benefits, during the period a claim is being evaluated by the carrier, while receiving disability benefits, or in conjunction with disability benefits. However, you may use accrued sick and vacation leave in the event a disability claim is denied or discontinued. Refer to the *HR004 Policy on Family and Medical Leave*, for additional information.

You are required to complete, sign, and submit a Request for Leave form and the

Health Care Provider form to support the reason for the FMLA leave. Any FMLA leave of over 30 days duration may require recertification from a healthcare provider. STSC will comply with all applicable provisions of any state or local family and medical leave legislation or regulation, to the extent they may differ from FMLA.

The U.S. Shared Services Center or your Human Resources representative (if not supported by the U.S. Shared Services Center) will provide additional information regarding a FMLA absence, including information about eligibility and required documentation.

### **Employee Rights and Responsibilities Under the Federal Family and Medical Leave Act (FMLA)**

- **Basic Leave Entitlement**— FMLA requires covered employers to provide up to 12 weeks of unpaid, job protected leave to eligible employees for the following reasons:

1. For incapacity due to pregnancy, prenatal medical care or child birth;
2. To care for the employee's child after birth, or a child placed with the employee for adoption or foster care;
3. To care for the employee's spouse, son or daughter, or parent, who has a serious health condition; or
4. For a serious health condition that makes the employee unable to perform the employee's job.
- 5.

- **Military Family Leave Entitlements**— Eligible employees with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a contingency operation may use their 12-week leave entitlement to address certain qualifying exigencies. Qualifying exigencies may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions, and attending post-deployment reintegration briefings. FMLA also includes a special leave entitlement that permits eligible employees to take up to 26 weeks of leave to care for a covered service member during a single 12-month period. A covered service member is a current member of the Armed Forces, including a member of the National Guard or Reserves, who has a serious injury or illness incurred in the line of duty while on active duty that may render the service member

medically unfit to perform his or her duties for which the service member is undergoing medical treatment, recuperation, or therapy; or is in outpatient status; or is on the temporary disability retired list.

- **Benefits and Protections** — During FMLA leave, the employer must maintain an employee's health coverage under any "group health plan" on the same terms as if the employee had continued to work. Upon return from FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms. Use of FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.
- **Eligibility Requirements** - Employees are eligible if they have worked for a covered employer for at least one year, for 1,250 hours over the previous 12 months, and if at least 50 employees are employed by the employer within 75 miles.
- **Definition of Serious Health Condition** — A serious health condition is an illness, injury, impairment, or physical or mental condition that involves either an overnight stay in a medical care facility, or continuing treatment by a health care provider for a condition that either prevents the employee from performing the functions of the employee's job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than 3 consecutive calendar days combined with at least two visits to a health care provider or one visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.
- **Use of Leave** — An employee does not need to use this leave entitlement in one block. Leave can be taken intermittently or on a reduced leave schedule when medically necessary. Employees must make reasonable efforts to schedule leave for planned medical treatment so as not to unduly disrupt the employer's operations. Leave due to qualifying exigencies may also be taken on an intermittent basis.
- **Substitution of Paid Leave for Unpaid Leave** — Employees may choose or employers may require use of accrued paid leave while taking FMLA leave. In order to use paid leave for FMLA leave, employees must comply with the employer's normal paid leave policies. STSC requires use of accrued paid leave while taking FMLA leave.
- **Employee Responsibilities** - Employees must provide 30 days advance notice of the need to take FMLA leave when the need is foreseeable. When 30 days notice is not possible, the employee must provide notice as soon as practicable and generally must comply with an employer's normal call-in procedures. Employees must provide

sufficient information for the employer to determine if the leave may qualify for FMLA protection and the anticipated timing and duration of the leave. Sufficient information may include that the employee is unable to perform job functions, the family member is unable to perform daily activities, the need for hospitalization or continuing treatment by a health care provider, or circumstances supporting the need for military family leave. Employees also must inform the employer if the requested leave is for a reason for which FMLA leave was previously taken or certified. Employees also may be required to provide a certification and periodic recertification supporting the need for leave.

- **Employer Responsibilities** - Covered employers must inform employees requesting leave whether they are eligible under FMLA. If they are, the notice must specify any additional information required as well as the employees' rights and responsibilities. If they are not eligible, the employer must provide a reason for the ineligibility. Covered employers must inform employees if leave will be designated as a FMLA-protected and the amount of leave counted against the employee's leave entitlement. If the employer determines that the leave is not FMLA-protected, the employer must notify the employee.

- **Unlawful Acts by Employers** — FMLA makes it unlawful for any employer to:

1. Interfere with, restrain, or deny the exercise of any right provided under FMLA;
2. Discharge or discriminate against any person for opposing any practice made unlawful by FMLA or for involvement in any proceeding under or relating to FMLA.

- **Enforcement** — An employee may file a complaint with the U.S. Department of Labor or may bring a private lawsuit against an employer. FMLA does not affect any federal or state law prohibiting discrimination, or supersede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

- **Notice to Employees Working in California** - Under the California Family Rights Act of 1993 (CFRA), if you have more than 12 months of service with STSC and have worked at least 1,250 hours in the 12—month period before the date you want to begin your leave, you may have a right to an unpaid family care or medical leave (CFRA leave). This leave may be up to 12 workweeks in a 12-month period for the birth, adoption, or foster care placement of your child or for your own serious health condition or that of your child, parent or spouse. Even if you are not eligible for CFRA leave, if you are disabled by pregnancy, childbirth or related medical conditions, you

are entitled to take a pregnancy disability leave of up to four months, depending on your period(s) of actual disability. If you are CFRA eligible, you have certain rights to take BOTH a pregnancy disability leave and a CFRA leave for the reason of the birth of your child. Both leaves guarantee of reinstatement to the same or to a comparable position at the end of the leave, subject to any defense allowed under the law. If possible, you must provide at least 30 calendar days advance notice for foreseeable events (such as the expected birth of a child or a planned medical treatment for yourself or of a family member). For events that are unforeseeable, you must notify STSC, at least verbally, as soon as you learn of the need for the leave. Failure to comply with these notice rules is grounds for, and may result in, deferral of the requested leave until you comply with this notice requirement. You may be required to obtain certification from your health care provider supporting a leave for pregnancy or your own serious health condition or certification from the health care provider of your child, parent or spouse who has a serious health condition before allowing you a leave to take care of that family member. When medically necessary, leave may be taken on an intermittent or reduced work schedule. If you are taking a leave for the birth, adoption or foster care placement of a child, the basic minimum duration of the leave is two weeks and you must conclude the leave within one year of the birth or placement for adoption or foster care. Leave taken under CFRA or pregnancy disability will run concurrent with federal FMLA leave. Taking a family care or pregnancy disability leave may impact certain of your benefits and your seniority date.

- **Medical Leave** - As an eligible employee, you may be granted an unpaid leave of absence if you are unable to work because you have become ill or injured. A leave of absence required for your own illness will apply toward the annual FMLA allowance/maximum. All accrued paid leave must be exhausted before an employee shall be granted a Medical Leave of Absence Without Pay, except as described below.

To be granted a medical leave, you are required to complete, sign, and submit the required documentation to support the reason for the medical leave. Medical leaves may be granted for up to 30 calendar days and may be extended for successive periods of up to 30 calendar days for up to a total (including all periods of family and medical leave) of 12 consecutive months of unpaid leave, unless otherwise determined in conjunction with the Americans with Disabilities Act, where applicable. This 12-month period of unpaid leave is in addition to paid leave. After the initial 30-day leave period, you must submit a certificate of disability from your attending physician every 30 days.

If you are enrolled in the voluntary employee-paid Short-Term Disability ("STD") or Long-Term Disability ("LTD") benefit plan, you are required to use accrued sick leave

and/or vacation leave during your STD or LTD elimination period, and you are required to file a claim for applicable disability benefits at the end of your elimination period unless the reason of the leave of absence is covered under FMLA in which case you are not required to file a claim and may use paid leave for the entire FMLA covered absence. After the disability elimination period has expired, the use of sick and vacation leave will cease and any sick and vacation leave you have accrued up to that date will be held in suspense until you return to work. You are not entitled to use sick and vacation leave in lieu of disability benefits, during the period a claim is being evaluated by the carrier, while receiving disability benefits, or in conjunction with disability benefits. However, you may use accrued sick and vacation leave in the event a disability claim is denied or discontinued. Refer to the [Employee Benefits Guidebook](#) for additional information.

- **Personal** - You may request a leave of absence for compelling personal reasons for up to 30 calendar days. All accrued vacation must be exhausted before an employee shall be granted an unpaid personal leave of absence.
- **Military Leave** - If you are a casual employee, who is a Military Reservist or a member of the National Guard, you are eligible for an unpaid leave of absence to participate in weekly or weekend drills, annual training duty, courses of instruction, or similar types of training duty of less than twelve weeks duration **annually in the United States Armed Forces**. Regular and temporary full-time and part-time employees are eligible for compensation for these activities. Additionally, STSC may modify its compensation and benefits practices for employee Reservists or members of the National Guard under circumstances specified by the Corporate Vice President of Human Resources.
- **Educational** - You will be given consideration for Educational Leave, of up to one year, based on a good performance record and after the completion of 12 continuous months of service with STSC. You must attend an accredited college or university in a major field of study directly related to STSC activity.
- **Jury and Witness Duty** - If you are a casual employee and are required to be available for jury duty or are subpoenaed to give testimony in a trial, you will be granted unpaid leave. Regular and temporary full-time and part-time employees are eligible for compensation for these duties.
- **Furlough**- This category of unpaid leave is considered involuntary and will be required by STSC only when temporary disruptions require a limited cessation of work activity. A furlough will generally not exceed 30 consecutive calendar days in duration.

### **Benefits During Unpaid Leaves of Absence**

For the first 30 calendar days of your unpaid leave, vacation hours, sick leave hours, and STSC service will continue to accrue.

- **FMLA and Medical Leaves of Absence** - STSC will continue to pay the cost of company-paid coverages (e.g., basic life and AD&D) for a maximum of 12 months. You may elect to continue any optional (i.e., requiring employee contributions) coverage that was in effect on the last date for which you received compensation. If you elect to continue the optional coverages during FMLA or Medical leave, you will be required to pay the same amount that is payable by active employees. If you elect to discontinue the optional coverages, these benefits will end at midnight on the last date for which you receive compensation. If re-enrollment is requested upon return from leave, pre-existing conditions limitations or late enrollment requirements will apply to each plan as applicable under that plan.
- **Military Leave for Active Duty Service** - If you take a military leave, whether for active duty or for training, you are entitled to continue health coverage for up to 24 months as long as you give STSC advance notice (with certain exceptions) of the leave, and provided that your total leave, when added to any prior periods of military leave from STSC, does not exceed 5 years (with certain exceptions). If the entire length of the leave is 30 days or less, you will not be required to pay any more than the portion you paid before the leave. If the entire length of the leave is 30 days or longer, you may be required to pay the entire premium (including both Company and employee contributions) necessary for the coverage continued. If you take a military leave, any coverage (including life/AD&D insurance, disability, and health coverage if not continued) under the plan that is terminated will be reinstated upon re-employment as if you had not taken a military leave with respect to determining whether an exclusion or waiting period applies.
- **All Other Leaves of Absence** - You have the option of continuing some or all of the coverages that were in effect on the last date for which you received compensation. If you elect to discontinue optional coverages, these benefits will end at midnight on the last date for which you receive compensation. If re-enrollment is requested upon return from leave, pre-existing conditions limitations and late enrollment requirements will apply to each plan as applicable under each plan. If you elect to continue coverages, you must pay the full cost of the coverages. The maximum period allowed for continuation of coverages, for both employee and dependents, while on an authorized unpaid leave of absence is 12 calendar months.

- **Return from an Unpaid Leave of Absence** - If you return to work within 30 calendar days of the effective date of your approved leave, it is STSC's practice to reinstate you to your position. Unless otherwise required by law, (e.g., the Family Medical Leave Act), STSC cannot guarantee that you will be reinstated to your position, or any position, when you return from a leave that is in excess of 30 days. Your continued employment in such circumstances is subject, at the time the leave is scheduled to end, to the availability of a position for which you are qualified. However, STSC will make a reasonable effort to reinstate you to your former position or to place you in a comparable position.

During your leave of absence, you are required to keep your supervisor informed of current circumstances that might prevent you from returning to work as scheduled. If you are able to return to work before the scheduled end of your leave, you are expected to advise your supervisor immediately. If you do not return to work on the scheduled date of return, you may be terminated retroactive to the scheduled date of return. In addition, if you misrepresent any information that you provided in support of your original request for leave, or an extension to that leave, or if you engage in gainful employment with any employer except as specifically authorized in your leave of absence approval, your employment may be terminated retroactive to the date the leave began or the date the extension commenced.

If you are returning from an unpaid leave of absence of more than 30 calendar days, your service and leave accrual dates will be adjusted for any period of leave taken beyond the 30th calendar day unless such adjustment is prohibited by law. When you return from your leave, you must report to work on the first business day following the scheduled end of the leave, in order to determine your work status.

- **Time Off to Vote** - STSC follows state law requirements to allow employees to absent themselves from the workplace on days when elections for public office are scheduled throughout the state, county, city or town in which the employee works. Employees should inform their supervisor in advance of the planned absence. No employee will be penalized or retaliated against for requesting time off to vote.

# GENERAL STANDARDS OF CONDUCT

## **Employee Conduct**

You are expected to conduct yourself at all times in a highly professional and reliable fashion. If you are unsure whether your actions are considered acceptable behavior, you should consult your supervisor or your Human Resources representative. STSC will not hesitate to take appropriate action, if you engage in conduct that is considered unacceptable. The following categories include, but are not limited to, those types of conduct considered unacceptable at STSC or client premises, and may be the basis of disciplinary action, up to and including termination:

- Inability or unwillingness to work harmoniously with others (including harassment and inappropriate behavior);
- Insubordination;
- Violation of safety and/or security regulations (including the possession of firearms, weapons or explosives);
- Unauthorized removal of company property or the property of someone else's (clients or coworkers);
- Gambling of any kind on STSC or client work time property or during work time;
- Violations of the drug-free workplace;
- Use of intoxicants in the workplace or being under the influence during work time;
- Harm or threat of harm to persons or property;
- Unexcused and/or excessive absences or tardiness;
- Idleness/lack of productivity;
- Misrepresenting or concealing information;
- Improper use of STSC resources;
- Failure to protect STSC business interests (including failure to cooperate with or interfere with company proceedings, or disclosing or misusing company

information);

- Soliciting and distributing literature;
- Inappropriate conduct ;
- Inappropriate time practices;
- Violations of STSC's Code of Ethics and Standards of Conduct;
- Falsifying data; and
- Criminal Conduct.

For additional information, refer to HRMP 207, Employee Conduct.

#### **Use of Electronic Communication Media**

STSC is committed to protecting all STSC business interests including company and customer information. To that end, STSC has established a policy to ensure that all company and customer electronic communication media, their supporting systems and all the data and information stored and transmitted on them are used responsibly by employees for the conduct of STSC business. Electronic communication media include, but are not limited to, STSC owned, leased or sponsored computing and communication resources for access to and use of internal and/or external host resources and public networks, including but not limited to, E-Mail, Lotus Notes, the Internet, intranets, web portals, fax machines, telephone, routers, mobile device or personal digital assistant (PDA), voice mail, and instant messaging, as well as storage media. The types of media covered in this Policy will expand over time as new technologies emerge.

- **Improper Usage** — Employees are expected to use caution, common sense, and good judgment when using STSC electronic communication media, supporting systems and the information stored and transmitted on them. Improper usage may result in immediate and appropriate corrective action, to and including termination of employment. Inappropriate use of electronic media includes, but is not necessarily limited to:
  1. Violating STSC policies, including distribution/solicitation, discrimination, or sexual harassment;
  2. Disclosing STSC, client, or business partner sensitive or critical information;

3. Not adhering to the manufacturer's licensing agreements or duplicating software;
  4. Misrepresenting, obscuring, suppressing, or replacing a user's identity, or using another person's identification and/or password;
  5. Electronic snooping or intentional interception of information;
  6. Performing acts that waste electronic resources or unfairly monopolize resources, including but not limited to, sending mass mailings or chain letters, spending excessive amounts of time on the Internet playing games, gambling, following sports, shopping, investing, engaging in online chat groups, mailing or forwarding large attachments, downloading audio, video, image files from the Internet that are not business-related, or otherwise creating unnecessary network traffic;
  7. Creating a non-work related Web site, or participating in non-work related activities on social media communication tools during work hours (e.g., blogging or online social networking sessions); and
  8. Illegal or unauthorized copying or sharing of copyrighted materials either through local networks or via the Internet. Unlawful copying or distribution of copyrighted materials may subject the employee involved to civil action by the copyright owner and in serious cases, to criminal prosecution.
- **Offensive or Disruptive Material** - Employees are prohibited from sending or receiving information that may be considered offensive or disruptive. Offensive and disruptive information will include, but is not limited to, any act, behavior, or dissemination of information that is prohibited under the law. Examples of this information will include, but not necessarily be limited to:
    1. Pornography;
    2. Obscene, vulgar or profane content;
    3. Sexual comments or images;
    4. Derogatory or defamatory content (including jokes, cartoons and gossip), especially those based on race, color, religious creed, national origin, citizenship, marital status, sex, sexual orientation/gender identity, being over age forty, genetic information, disability, and protected veteran status;

5. Chain letters or personal broadcast messages;
  6. Religious proselytizing; and
  7. Partisan political purposes.
- **Privacy** - There should be no expectation of electronic communication media privacy on your part. STSC reserves the right to monitor these systems at any time in order to maximize employee productivity; perform system maintenance; protect STSC against theft of sensitive or critical information; prevent employee malfeasance and system misuse; investigate unlawful or prohibited actions; respond to discovery requests in litigation and investigations; monitor employee job performance; and protect STSC's business interests.
  - **Personal Use** - Personal use of electronic communication media is discouraged. STSC, however, recognizes that there may be times when personal use of these media will occur, but such use should be kept to a minimum. All personal use must be consistent with STSC's policy and the efficient conduct of STSC business. Unlawful or inappropriate use, including excessive and irresponsible personal use, is prohibited and may result in disciplinary action up to and including termination of employment.
  - **Security Requirements** - In order to protect the integrity of the information transmitted through electronic communication media systems and prevent the unauthorized access to STSC or Customer data on computing equipment, including mobile computing equipment, employees must follow established security requirements when using STSC equipment or User owned equipment that is used to access a STSC network and/or contains STSC or Customer data.

STSC employees are reminded that every time you connect to an Internet site through a company resource, it reflects your affiliation with STSC.

### **Privacy of Employee Information**

STSC is committed to protecting and respecting the privacy of current and former employees by releasing only necessary information collected by STSC through the employment relationship to parties who have a demonstrable need to obtain such information. If you receive a request for information about a present or former employee, you must refer the request to David Williamson, CEO.

### **Conflict of Interest**

Employees are expected to disclose any actual or potential conflicts of interest to their Business Unit Human Resources for review. A conflict of interest could include:

- The acceptance of a gift, money, loan, or favor from a customer of STSC, from a supplier of STSC, or from any person with whom STSC is transacting business or contemplating transacting business;
- The pursuit of any outside activities similar to or in competition with any business of STSC;
- Personal interest or participation by the employee or member of his/her immediate family as a stockholder, partner, owner, director, creditor, or employee in any person, firm, or organization which the employee knows is a supplier to or customer of STSC, in any such person, firm, or organization with which STSC is transacting business or contemplating transacting business, or in any such person, firm, or organization which competes with STSC for customers, property, property rights, services, or other tangible or intangible items;
- Personal interest or participation by the employee or member of his/her immediate family, as a stockholder, partner, owner, director, creditor, or employee in any person, firm, or organization with which the employee deals directly or indirectly on behalf of STSC; or
- Taking advantage of any information gained in the course of his/her employment with STSC that is not available to the general public for the purpose of speculating in any security, including the securities of STSC.

### **Confidentiality of Company and Customer Information**

All records and information relating to STSC or its customers are considered confidential. This information, which could include documents, notes, files, records, computer files, may not be removed from the worksite without permission from STSC, except in the ordinary course of performing work duties. Additionally, the contents of these confidential records may not be disclosed to anyone, except where required for a business purpose. Employees must not disclose any confidential information to any unauthorized person inside or outside the Company. Employees who are unsure about the confidential nature of specific information must ask their supervisor or Human Resources representative for guidance. Employees will be subject to appropriate disciplinary action, up to and including employment termination for disclosing confidential information.

### **Outside Employment**

Employees should advise their supervisor and Human Resources before participating in work activities outside of STSC. Approval will generally be provided, unless the activity conflicts

with the Company's interest.

### **Solicitation/Distribution of Literature**

Except as specifically authorized by STSC management, employees may not engage in soliciting, collecting, or selling for any purpose, on STSC or client premises or during work hours. In addition, employees may not distribute or post on company bulletin boards literature, pamphlets, or any other documents in work areas.

### **Employment of Relatives**

STSC employees and their relatives may not be employed where they have a supervisory relationship with each other, which allows one the authority to make, approve, or recommend personnel decisions affecting the other. In addition, neither employee can be placed in positions where one is responsible for approving requests for financial disbursements or company material; responsible for performing work for; or where one has access to sensitive information concerning the other.

### **Dress Code and Personal Appearance**

Employees are expected to report to work dressed in a manner that reflects positively on the professional image of STSC. Supervisors are held accountable for maintaining this image. If, in the judgment of a supervisor, you are not appropriately dressed for duty, the supervisor has a responsibility to direct you to leave the work premises until you are properly dressed. Any time away from work shall be charged to the appropriate paid or unpaid leave. For more information regarding dress code requirements for your work location, contact your local Human Resources representative.

### **Smoking Practices**

STSC is committed to protecting the health and safety of its employees as well as visitors to its facilities. To that end, STSC will strictly control the circumstances under which smoking by STSC employees and visitors will be permitted.

### **Company Property and Premises**

When there is a legitimate business reason, an authorized STSC representative may inspect company property (e.g., workstations, desks, lockers, file cabinets, and other storage areas that are provided for your use during your employment) and the articles found within the company property, with or without prior notice.

STSC premises are defined as all land, offices, buildings, equipment, vehicles, and parking areas under the control of STSC. Additionally included as STSC premises are the transportation vehicles occupied during travel to or from such other work locations as the job site of a customer, supplier, or subcontractor or while on Company business or otherwise

within the scope of employment.

**Return of Company Property**

In the event of a transfer, departure for an extended leave of absence, or employment termination, you may be required to turn in all company keys, key cards, identification cards, including employee picture badge, credit cards, equipment, and sensitive or critical documents belonging to STSC, as part of routine checkout procedures.

**Leaving STSC**

If you decide to resign from STSC, the Company requests that you provide reasonable notification to your supervisor. The Assignment of Inventions and Covenant Against Disclosures Agreement you signed with STSC will remain in place, and the applicability of this agreement will apply to any future employment. If you also signed a Non-Competition Agreement with STSC, you may interview with STSC's customers or competitors, however, STSC must release you in writing from a Non-Competition Agreement prior to your acceptance of an offer of employment with either a customer or a competitor. You may be required to turn in all company keys, key cards, identification cards, including employee picture badge, credit cards, equipment, and sensitive or critical documents belonging to STSC as part of routine checkout procedures. In addition, you may be asked to participate in an exit interview with a Human Resources representative.

# **CAREER DEVELOPMENT AND RECOGNITION**

## **Employee Recruitment Awards**

You are strongly encouraged to refer candidates for employment to fill regular full-time positions. Referral awards may be available to recognize you for your recruitment efforts.

You are eligible to participate if you are:

- A regular, temporary or casual employee;
- Not employed in a Human Resources staffing or recruitment capacity;
- Not directly or indirectly involved in the hiring decision of your referral;

An eligible STSC employee may make referrals to any STSC Business Unit. Only one award will be paid for each referred candidate. You must be in regular, temporary, or casual employment status at the time the award payment is issued. No awards will be granted until the referred employee has performed at a satisfactory level, for at least six (6) months.

## **Service Award Program**

STSC presents service awards in recognition of loyal and valued service to STSC. Eligible employees (includes regular full-time and part-time) will have the opportunity to select a gift at the completion of five, ten, fifteen, twenty, twenty-five, thirty, thirty-five, forty, forty-five, and fifty years of service.

# **WORKPLACE SAFETY and SECURITY**

## **Workplace Safety**

It is STSC's policy to provide safe and healthful working conditions in all offices and facilities and to fully comply with regulations of the Occupational Safety and Health Act of 1970. You should report any unsafe conditions immediately to your supervisor, local Safety Officer, Facilities Manager, or Human Resources representative.

Further, any conduct which physically harms, or threatens to harm, any person or property, including intimidation, physical altercations, threats (whether verbal or written), vandalism, and possession or use of firearms, weapons or explosives will not be tolerated. Employees engaging in this prohibited behavior will be subject to disciplinary action. If you have knowledge of such behavior occurring in the workplace, it is your responsibility to immediately contact your supervisor or Human Resources representative. By surfacing the problem, you enable STSC to investigate and to take immediate and appropriate corrective action.

## **Physical Security**

All STSC personnel who are admitted beyond the reception area of a STSC facility are required to wear their STSC Employee Photo Badge and display it so that it may be easily read at all times.

## **Government Security**

STSC has a security agreement with the Department of Defense to abide by certain regulations safeguarding government-classified information. Under this agreement, each employee of STSC who has been issued a Department of Defense security clearance is responsible for exercising care and vigilance in the handling of classified information and material. If you are unsure of your obligations as a cleared employee, contact your Security Officer for a briefing.

## **Company Internal Security**

As a STSC employee, you are required to sign an Agreement for Assignment of Inventions and Covenant Against Disclosure when you join STSC. The purpose of this document is to clearly establish STSC's rights with respect to any concepts, designs, plans, ideas, products, equipment, methods, computer programs, software, system designs, hardware, manuals, documentation, or other inventions or improvements, tangible or intangible, which were developed, created, conceived or invented, in whole or in part, by you while employed by STSC.

You are also required to disclose to your supervisor any of the above-referenced types of inventions or improvements that you have conceived, invented, made or suggested during your employment with STSC. If your supervisor determines that the rights to the invention must be assigned to STSC, and you disagree, you have the right to address the issue, within 14 days of learning of your supervisor's decision, with the president of the division or Business Unit of STSC with which you are employed, for a final, ruling.

As a further step in protecting critical and sensitive information, STSC has established four internal classifications. These classifications are:

- STSC Critical Information
- STSC Sensitive Information
- Customer Critical or Sensitive Information
- Personal Data or Personally Identifiable Information

Employees with authorized possession of critical and sensitive information are personally responsible for protecting the information contained in these documents and for returning them to STSC upon termination of employment. Employees who are unsure of their obligation under each classification should contact their Security Officer. Refer to MPS 609 - Encryption of Critical or Sensitive Information.

### **Customer Vendor Data Security**

STSC must protect the privacy of information and data belonging to its customers/vendors. Employees are not authorized to divulge any information known to STSC regarding a customer/vendor without written permission of the customer/vendor.

### **Computer and STSC Network Security**

The Global Network Security (GNS) group is responsible for keeping employees informed about current information concerning computer security services that are critical to protecting the Company's information systems and minimizing downtime related to virus, denial-of-service, or other malicious attacks. A monthly security awareness bulletin is distributed to employees through Lotus Notes to highlight new technologies and risks confronting STSC's information systems.

Report all computer security events (actual or attempted) such as break-ins, data tampering, virus outbreaks, loss or theft of computing equipment, and inappropriate or unauthorized use of electronic communication media to your manager

### **Closure of Facilities Due to Inclement Weather or Natural Disaster**

In the event of severe inclement weather or natural disaster, your work location may close, and you may be asked to temporarily work from an alternate work location or to use a paid leave category if an alternate work location is unavailable.

### **Personal Belongings**

STSC urges employees to protect and secure all personal belongings, such as purses and wallets, while on company premises or while at another designated work location. STSC will not be responsible for the loss of these items.

# MISCELLANEOUS

## **Personnel Records**

In order to keep Company records current, you must immediately notify Human Resources of any changes in your:

- Tax status, whether through a change in the number of dependents or for other reasons;
- Mailing address or telephone number;
- Name;
- Marital status; or
- Emergency point of contact.

## **Communications with the Media**

If you are contacted for comment about company business by an outside party, such as a media group, a financial/investment analyst or securities dealer, either immediately contact to your supervisor for handling or redirect the requestor to the appropriate person.

## **Employee Recreational Activities**

Participation in recreational and athletic activities is strictly voluntary and is not considered to arise out of or within the course of your employment with STSC. Therefore, you assume the risk of injury or death, or damages to persons or property, as a consequence of such participation. Contact your local Human Resources representative for information regarding the recreational activities available at your work location.

## **Bulletin Boards**

Bulletin boards maintained at STSC work locations are used for posting or distributing material pertaining to notices directly concerning Company business or announcements of a business nature, which are equally applicable and of interest to employees.

## **Cafeterias/Lunch Rooms**

Cafeterias, lunchroom facilities, and/or vending machines are available in most STSC work locations.

## **CONTACT INFORMATION AND RESOURCES**

### **Human Resources Services**

Contact Number: 443-451-7270.

Email: [www.STSC.us](http://www.STSC.us)

### **Locating STSC Employees**

The STSC Directory provides convenient on-line access to work telephone numbers and mailing addresses of STSC employees. The STSC Directory is considered proprietary and confidential data and may only be used in connection with legitimate business activities. Misuse of this resource may result in disciplinary action.

([www.STSC.us](http://www.STSC.us))

### **Human Resources Management Policies**

The collection of Human Resources Management Policies ("HRMP") can be accessed on the STSC website at [www.STSC.US](http://www.STSC.US)