

INCLEMENT WEATHER COMPANY CLOSURE POLICY

Every few years we are faced with inclement weather, including hurricanes or other possible natural disasters, that causes us to shut down our operations for a period of time. When this occurs, questions come up regarding how time away from work should be handled. The issues are typically: should this situation be handled using PTO, time off without pay, etc.? This policy was written to address the recording of absences associated with a Company shut down due to inclement weather.

Please contact your supervisor or Human Resources if you have any questions regarding this policy.

SHORT-TERM COMPANY CLOSURE

In situations where the Company must shut down for a period of 4 days or less, employees should follow these guidelines in recording their time:

SHORT-TERM COMPANY CLOSURE (4 Days or Less)			
	PLANT/COMPANY CLOSED	PLANT/COMPANY RE-OPEN (Personal Emergency Situations Remains)	PLANT/COMPANY RE-OPEN (Non-emergency situations - Follow-up to flood, storm, etc.)
ALL EMPLOYEES	PTO If you work, record actual time worked as “Hours Worked” and hours not worked as “PTO” so that a total of your regularly scheduled hours are recorded for each day. ¹	PTO	PTO or PTO Unplanned if required by your department

¹ As determined by the Planning Committee, designated non-exempt personnel working on site during the Short or Extended Term Company Closure may be paid Double Time for work during this period. Only Hours Worked and not Double Time pay will count towards overtime.

EXTENDED COMPANY CLOSURE

There are times when the Company (e.g. Laitram Harahan/Hammond Campuses, Intralox Baltimore, Intralox Grand Rapids) may be required to close for an extended period of time, **5 days or more**, due to an inclement weather event or other natural disaster. If this occurs, the Company **may** implement all or part of this Inclement Weather Extended Closure Pay Policy (“ECPP”). Under the ECPP, the Company will continue to pay employees until such time as the Planning Committee determines that it’s in the Company’s best interest to return to normal pay practices.

ECPP GENERAL GUIDELINES:

1. To be eligible for continued pay under this policy, employees must make contact and remain in contact with their supervisor. Payments under this policy assume that each employee will make a good faith effort to stabilize their personal situation and will begin to contribute to the Company’s efforts to resume normal operations as soon as possible. Accepting pay without making an effort to return to work as soon as circumstances permit is contrary to our Business Philosophy so that payment will not be made to those employees who don’t make and remain in contact with the Company during this time.
2. Unless decided otherwise by the Planning Committee, the first 4 days of the closure will follow our short-term pay policy above (e.g. employees will be required to use PTO).
3. Hours paid under the ECPP will be coded as Inclement Weather and will not count towards overtime for non-exempt (Salaried or Hourly) employees. Any actual hours worked during this time will count for overtime purposes for both Salaried and Hourly Non-Exempt employees.
4. For full-time salaried and hourly employees, the amount of pay will be equal to 80 hours of base pay.
5. For employees on rotating shifts, the amount of pay will be based on the standard 36/48 hour split shift schedule.
6. For part-time employees who work a standard schedule, payment for that standard schedule will be made.
7. For temporary or part-time employees who don’t work a set schedule, payment will be made based on an average number of hours over the 4 pay periods immediately preceding the closure. Contract workers (e.g. Weststaff, Flexicrew, etc.) are not covered under this policy.
8. For employees on a production incentive, the Company may also pay an amount to these employees to compensate them for this potential loss of earnings. The inclusion of the production incentive will be determined by the Planning Committee and will be based on an average production incentive over a set period of time (i.e. six months).
9. Employees who travel to business continuity sites will be paid under the Company’s standard travel policies. Each division, with approval from the General Manager, may set temporary per diem pay rates and/or pay for other employee expenses associated with working at these sites.
10. All payments will be by direct deposit to the same account to which regular paychecks are deposited.

**EXTENDED COMPANY CLOSURE
(5 Days or More)**

	<p align="center">PLANT/COMPANY CLOSED (Day 5 onward)</p>	<p align="center">PLANT/COMPANY RE-OPEN (Personal Emergency Situations Remain)</p> <ul style="list-style-type: none"> a. Lives or property at risk. b. Employee unable to get to work due to major road closures. c. Your Parish declares a mandatory evacuation. 	<p align="center">PLANT/COMPANY RE-OPEN (Non-emergency situations - Follow-up to flood, storm, etc.)</p> <ul style="list-style-type: none"> a. Employee is returning to town from evacuation. b. Schools closed/childcare unavailable. c. Roads are open but employee chooses not to return to work. d. Employee stays home to help with clean-up, etc.
<p>ALL EMPLOYEES</p>	<p>Record “Inclement Weather” for all hours in your normal work schedule. If you work during this time, record that time as “Hours Worked.”</p> <p>Non-exempt employees that work on site while this policy is in place will be paid for their actual hours worked in addition to Inclement Weather for their regularly scheduled hours. The duration of this pay will be at the discretion of the Planning Committee.</p>	<p align="center">PTO</p>	<p align="center">PTO or PTO Unplanned if required by your department</p>

FAQs

Q. It's not our fault that there's a natural disaster; why doesn't the Company just pay us all while we're out without using PTO?

A. There are a number of reasons for this policy including:

1. It is extremely expensive for the Company to shut down or to declare additional time off with pay due to inclement weather or a natural disaster, which would have a direct impact on incentives.
2. Many companies offer far fewer PTO days and accrual limits to its employees.
3. Many employees live near our facility and want to return to work immediately when we reopen. It would be an enormous expense to pay everyone for this time off and then pay additional money to those employees who were able to work, which may have the long-term impact of limiting incentives.

Q. Why do we wait so late before announcing whether the plant will be open or closed? I was out of town last time and when I heard I would have to use PTO if I didn't get to work, I had to drive most of the night to get back to work.

A. The goal of the Company is to open as soon as practicable following an inclement weather event. To do so, many variables (many outside the Company's control or influence) must be taken into account before this decision can be made. When this decision is made, however, we communicate this information to employees as soon as possible.

Once we decide to reopen, we expect employees to return to work as soon as possible. If it's unreasonable for you to come to work either because you have evacuated, you have flood damage in your house, or the roads are impassable between your house and the plant, we expect you to use your good judgment and return to work as soon as practicable. For these reasons, there will always be employees who are required to use PTO because they can't return to work by the time we are scheduled to reopen.

Q. I'm an employee that doesn't have enough PTO?

A. In this particular situation, we would give the employee the option of advancing them PTO (up to 40 hours at your supervisor's discretion) or taking the time off without pay.

Q. I'd rather take time off without pay than use up my PTO. Why can't I do that?

A. It's impossible for us to go from employee to employee and ask who would like to use PTO, who would like to take time without pay, who would like to make up the time on Saturday, etc. We must have a routine procedure that we can execute quickly and efficiently rather than having too many variables and complications affecting everyone's timely payment of wages.