



Employee Manual

Effective 01/01/2023

Table of Contents

FOREWORD.....3

1 INTRODUCTION3

1.1 Welcome! 3

1.2 Our Mission 4

1.3 Our Beliefs..... 4

1.4 Changes in Policy 4

1.5 You're Part of Our Team..... 5

1.6 What You Can Expect From Buffalo Materials Handling 5

1.7 What Buffalo Materials Handling Expects From You 6

2 EMPLOYEE DEFINITION AND STATUS.....6

2.1 Employment Classification..... 6

2.2 Proof of U.S. Citizenship and/or Right to Work..... 7

2.3 Introductory Period for New Employees..... 7

3 EMPLOYMENT POLICIES8

3.1 Anniversary Date 8

3.2 At Will Employment..... 8

3.3 Equal Employment Opportunity ... 8

3.4 Employee Background Check..... 9

3.5 Driver's License/Driver Record ... 9

3.6 How You Were Selected..... 9

3.7 Territory Manager/Salesperson Agreement..... 10

3.8 Job Descriptions 10

3.9 Re-Employment of Former Employees..... 10

3.10 Personnel Records and Administration..... 10

3.11 Work Schedule 11

3.12 Record of Absence/Lateness 11

3.13 Meal Periods..... 11

3.14 Customer Relations 11

3.15 Outside Employment 12

3.16 Performance Reviews..... 12

3.17 Compensation Reviews 12

3.18 Exit Interview 13

3.19 Return of Company Property 13

4 STANDARDS OF CONDUCT..... 13

4.1 General Guidelines 13

4.2 Code of Conduct Policy 13

4.3 Attendance, Tardiness, and Absenteeism 14

4.4 Non-Harassment Policy..... 15

4.5 Violence in the Workplace 16

4.6 Confidential Information and Nondisclosure 16

4.7 Progressive Corrective Coaching17

5 COMPENSATION POLICIES..... 17

5.1 Base Compensation 17

5.2 Basis for Determining Pay 17

5.3 Uniform Reimbursement..... 18

5.4 Discretionary Performance Bonuses 18

5.5 Deductions from Paycheck (Mandatory)..... 18

5.6 Social Security 18

5.7 Time Cards & Timekeeping Procedure 19

5.8 Error in Pay 19

5.9 Overtime Pay 19

5.10 Work Performed on Holidays..... 19

5.11 Wage Garnishments.....20

5.12 Pay Period and Paydays20

5.13 Paycheck Distribution & Cashing Procedures.....20

5.14 Reporting Time Pay – Inclement Weather & "Acts of God"20

5.15 Expense Reimbursement20

5.16 Employment Termination/Resignation20

6 OTHER POLICIES 21

6.1 Communications21

6.2 Company Supplies, Other Expenditures21

6.3 Computer Software (Unauthorized Copying)21

6.4 Concerns/Complaint Procedure..22

6.5 Contributions.....22

6.6 Dress Code/ Appearance/ Hygiene 23

6.7 Education & Training 23

6.8 Electronic Communication Policy23

6.9 Employee Referral..... 25

6.10 Entry After-Hours..... 25

6.11 Equipment Use and Maintenance25

6.12 Fines and Penalties 26

6.13 First Aid/Accident Reporting..... 26

6.14 Inspection of Packages..... 26

6.15 Internet Usage 26

6.16 Layoff & Recall 26

6.17 Life-Threatening Illnesses..... 27

6.18 Open Door Policy & Counseling. 27

6.19 Personal Phone Calls & Mail..... 28

6.20 Personal Property 28

6.21 References 28

6.22 Safety Rules 28

6.23 Security 29

6.24 Smoking Policy 29

6.25 Solicitations and Distributions 30

6.26 Substance and Alcohol Abuse ... 30

6.27 Theft Policy..... 31

6.28 Visitors in the Workplace 32

7 LEAVES OF ABSENCE . 32

7.1 Unpaid Leaves of Absence 32

7.2 Family/Medical Leave of Absence 32

7.3 NYS Paid Family Leave Act..... 32

7.4 Military Leave of Absence..... 34

7.5 Military Reserves or National Guard Leave of Absence..... 35

8 GOVERNMENT REQUIRED BENEFITS 35

8.1 Jury Duty 35

8.2 New York State Disability Insurance 35

8.3 Workers' Compensation..... 35

8.4 Suggestions – We Need Your Ideas! 36

9 RECEIPT & ACKNOWLEDGMENT ... 37

FOREWORD

The content of a manual does not constitute nor should it be construed as a promise of employment or as a contract between The Petada Co., LLC (dba Buffalo Materials Handling) and any of its employees.

Employees may not accrue eligibility for monetary benefits that they have not earned through actual time spent at work. Employees shall not accrue eligibility for any benefits, rights or privileges beyond the last day worked.

No one other than the President of Buffalo Materials Handling may alter or modify any of the policies in this Manual. No statement or promise by a manager, manager or department head may be interpreted as a change in policy nor will it constitute an agreement with an employee.

Throughout this Employee Manual, masculine pronouns such as “he”, “his”, or “him” shall be generically construed so as to include both sexes.

Should any provision in this Employee Manual be found to be unenforceable and invalid, such finding does not invalidate the entire Employee Manual but only the subject provision.

This manual supersedes all other previous manuals for Buffalo Materials Handling as of the date listed below.

1 INTRODUCTION

This document has been developed to familiarize employees with Buffalo Materials Handling and provide information about working conditions, key policies, procedures, and benefits affecting employment. The policies in this Manual are to be considered as guidelines.

An employee manual cannot answer every question nor would we want to restrict the normal question and answer interchange among us. It is in our “person-to-person” conversations that we can better know each other, express our views and work together in a harmonious relationship.

We hope this manual will help you feel comfortable with us. We depend on you; your success is our success. Please don't hesitate to ask questions.

We ask that you read this manual carefully and refer to it whenever questions arise.

1.1 Welcome!

We're very happy to welcome you to Buffalo Materials Handling. Thank you for joining us! We want you to feel that your association with Buffalo Materials Handling will be a mutually beneficial and pleasant one.

You have joined an organization that has established an outstanding reputation for quality service. Credit for this goes to every one of our employees. We hope you will also find satisfaction and take pride in your work here.

This Manual provides answers to most of the questions you may have about our benefit programs, as well as Buffalo Materials Handling policies and procedures we abide by, our responsibilities to you and your responsibilities to Buffalo Materials Handling. If anything is unclear, please discuss the matter with your manager. You are responsible for reading and understanding this Employee Manual. In addition to clarifying responsibilities, we hope this Employee Manual also gives you an indication of Buffalo Materials Handling's interest in the welfare of all that work here.

Compensation and personal satisfaction gained from doing a job well are only some of the reasons most people work. Most likely, many other factors count among your reasons for working; pleasant relationships and working conditions, career development and promotion opportunities, and health benefits are just a few. Buffalo Materials Handling is committed to doing its part to assure you of a satisfying work experience.

1.2 Our Mission

BMH will increase our customers' productivity and profitability by allowing them to effectively maximize and utilize their workspace. This will be experienced by providing them the tools through equipment, supplies, services, education and support needed for their operations.

BMH will earn customer loyalty by consistently providing value added services, equipment and supplies at the highest level of quality at a fair and competitive cost.

1.3 Our Beliefs

We believe in:

- Maintaining exceptional customer service focus
- Creating growth and profitability by building customer loyalty
- Continually improving processes
- Mentoring and developing staff
- Maintaining quality focus

1.4 Changes in Policy

This manual supersedes all previous employee manuals and memos.

While every effort is made to keep the contents of this document current, from time to time, the information included may change. Buffalo Materials Handling reserves the right to modify, suspend, or terminate any of the policies, procedures, and/or benefits described in the manual with or without prior notice to employees.

If changes occur, every effort will be made to keep you informed through suitable lines of communication, such as memos, bulletin board postings, notices sent directly to you in-house, and/or other possible methods, where applicable.

1.5 You're Part of Our Team...

As a member of Buffalo Materials Handling's team, you will be expected to contribute your talents and energies to improve the environment and quality of Buffalo Materials Handling as well as our services. In return you will be given opportunities to grow and advance in your career.

Buffalo Materials Handling is dedicated to two (2) standards:

1. To provide our customers with the best quality of service, parts and equipment at the best value.
2. To provide you, at minimum, with wages and benefits comparable to others doing similar work within the industry and within the region.

The only things we require for employment, compensation, advancement and benefits are performance and a good team attitude; however, all employment at Buffalo Materials Handling is "at will."

1.6 What You Can Expect From Buffalo Materials Handling

BMH's established employee relations policy is to:

1. Operate an economically successful business so that a consistent level of steady work is available.
2. Select people on the basis of skill, training, ability, attitude, and character without discrimination with regard to age, sex, color, race, creed, national origin, religious persuasion, marital status, political belief, sexual orientation, or disability that does not prohibit performance of essential job functions.
3. Pay all employees according to their effort and contribution to the success of our business.
4. Review wages, employee benefits and working conditions constantly with the objective of providing maximum benefits in these areas, consistent with sound business practices.
5. Provide paid vacations and holidays to all eligible employees.
6. Provide eligible employees with medical, disability, 401 (K) and other benefits.
7. Dedicate ourselves to a Continuous Improvement Process.
8. Develop competent people who understand and meet our objectives, and who accept with open minds the ideas, suggestions and constructive criticisms of fellow employees.
9. Assure employees an opportunity to discuss any problem with the president of BMH.
10. Make prompt and fair adjustment of any complaints which may arise in the everyday conduct of our business, to the extent that is practical.
11. Value diversity, respect individual rights, and treat all employees with courtesy and consideration.
12. Maintain mutual respect in our working relationship.
13. Provide buildings and offices that are attractive, comfortable, orderly and safe.
14. Promote employees on the basis of their ability and merit.
15. Make promotions or fill vacancies from within BMH whenever possible.
16. Keep all employees informed of the progress of BMH, as well as the company's overall aims and objectives.
17. Do all these things in a spirit of friendliness and cooperation so that BMH will continue to be known as "a great place to work!"

1.7 What Buffalo Materials Handling Expects From You

Your first responsibility is to know your own duties and how to execute them promptly, correctly and pleasantly each and every time. Secondly, you are expected to cooperate with management and your fellow employees and maintain a positive team attitude at all times. How you interact with fellow employees and those whom BMH serves, and how you accept direction can affect the success of your department. In turn, the performance of one department can impact the entire service offered by BMH. Consequently, whatever your position, you have an important assignment: perform every task to the very best of your ability. The result will be better performance for the company overall, and personal satisfaction for you.

We strongly believe you should have the right to make your own choices in matters that concern and control your life. We believe in direct access to management. We are dedicated to making BMH a company where you can approach your manager, or any member of management, to discuss any problem or question. We expect you to voice your opinions and contribute your suggestions to improve the quality of BMH.

Remember, you help create the healthful, pleasant and safe working conditions that BMH intends for you. Your dignity and that of fellow employees, as well as that of our customers, is important.

BMH needs your help in making each working day enjoyable and rewarding.

2 EMPLOYEE DEFINITION AND STATUS

An "employee" is defined as a person who regularly works on a wage or salary basis.

At the time you are hired, you are classified as full time, part time or temporary and are also told whether you qualify for overtime pay. Unless otherwise specified, the benefits described in this Manual apply only to full time employees. All other policies described in this Manual and communicated by Buffalo Materials Handling apply to all employees, with the exception of certain wage, salary and time off limitations applying only to "non-exempt" (see the definition that follows) employees. If you are unsure of which job classification your position fits into, please ask your manager.

2.1 Employment Classification

Full time Employees

A [full-time employee](#) for any calendar month is an employee who has on average at least 30 hours of service per week during the calendar month, or at least 130 hours of service during the calendar month.

Part time Employees

An employee who works less than a regular thirty (30) hour workweek is considered a part time employee. If you are a part time employee, please understand that you are not eligible for benefits described in this Manual, except as granted on occasion, or to the extent required by provision of state and federal laws.

Temporary Employees

From time to time, Buffalo Materials Handling may hire employees for specific periods of time or for the completion of a specific project. An employee hired under these conditions will be considered a temporary employee. The job assignment, work schedule and duration of the position will be determined on an individual basis.

Normally, a temporary position will not exceed six (6) months in duration, unless specifically extended by a written agreement. Summer employees are considered temporary employees.

If you are a temporary employee, please understand that you are not eligible for benefits described in this manual except as granted on occasion or to the extent required by provision of state and federal laws.

"Non-Exempt" and "Exempt" Employees

At the time you are hired, all employees are classified as either "exempt" or "non-exempt." These classifications are necessary because, by law, employees in certain types of jobs are entitled to overtime pay for hours worked in excess of forty (40) hours per work week. These employees are referred to as "non-exempt" in this manual; that means that they are not exempt from (and, therefore, should receive) overtime pay.

Exempt employees are those whose duties and responsibilities allow them to be "exempt" from overtime pay provisions as provided by the Federal Fair Labor Standards Act (FLSA) and any applicable state laws. If you are an exempt employee, you will be advised that you are in this classification at the time you are hired, transferred or promoted.

2.2 Proof of U.S. Citizenship and/or Right to Work

Federal regulations require that 1) before becoming employed, all applicants must complete and sign Federal Form I-9, Employment Eligibility Verification Form; and 2) all applicants who are hired need to present documents of identity and eligibility to work in the U. S.

2.3 Introductory Period for New Employees

Your first ninety (90) days of employment at Buffalo Materials Handling are considered an Introductory Period and during that period you will not accrue benefits described in this manual unless otherwise required by law. This Introductory Period will be a time for getting to know your fellow employees, your manager and the tasks involved in your job position, as well as becoming familiar with Buffalo Materials Handling's products and services. Your manager will work closely with you to help you understand the needs and processes of your job.

The Introductory Period is a “try-out” time for both you as an employee and Buffalo Materials Handling as an employer. During this Introductory Period, Buffalo Materials Handling will evaluate your suitability for employment and you can evaluate Buffalo Materials Handling as well. If, during this period your work habits, attitude, attendance or performance do not measure up to our standards, we may release you. If you take approved time off in excess of five (5) workdays during the Introductory Period, the Introductory Period may be extended by that length of time.

At the end of the Introductory Period, your manager will discuss your job performance with you. This review will be much the same as the normal job performance review that is held for regular full time or part time employees on an annual basis. During the course of the discussion, you are encouraged to give your comments and ideas as well.

Please understand that completion of the Introductory Period does not guarantee continued employment for any specified period of time nor does it require that an employee be discharged only for "cause."

3 EMPLOYMENT POLICIES

3.1 Anniversary Date

The first day you report to work is your "official" anniversary date. Your anniversary date is used to compute various conditions and benefits described in this manual.

3.2 At Will Employment

All employment and compensation with Buffalo Materials Handling is "at will", which means that your employment can be terminated with or without cause, and with or without notice, at any time, at the option of either Buffalo Materials Handling or yourself, except as otherwise provided by law.

3.3 Equal Employment Opportunity

Buffalo Materials Handling is an equal employment opportunity employer. Employment decisions are based on merit and business needs, and not on race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age, weight, religion, creed, physical or mental disability, marital status, veteran status, political affiliation, or any other factor protected by law.

The policy applies to all areas of employment, including recruitment, hiring, training and development, promotion, transfer, termination, layoff, compensation benefits, social and recreational programs and all other conditions and privileges of employment in accordance with applicable federal, state and local laws.

It is the policy of Buffalo Materials Handling to comply with all the relevant and applicable provisions of the Americans with Disabilities Act (ADA). Buffalo Materials Handling will not discriminate against any qualified employee or job applicant with respect to any terms, privileges or conditions of employment because of a person's physical or mental disability. Buffalo Materials Handling also will make reasonable accommodation wherever necessary for all employees or applicants with disabilities provided that the individual is otherwise qualified to safely perform the duties and assignments connected with the job and provided that any accommodations made do not require significant difficulty or expense.

Equal employment opportunity notices are posted on appropriate employee bulletin boards as required by law. The notice summarizes the rights of employees to equal opportunity in employment and lists the names and addresses of the various government agencies that may be contacted in the event that any person believes he has been discriminated against.

Management is primarily responsible for seeing that Buffalo Materials Handling 's equal employment opportunity policies are implemented, but all members of the staff share in the responsibility for assuring that by their personal actions the policies are effective and apply uniformly to everyone.

Any employees, including managers, involved in discriminatory practices will be subject to discharge.

3.4 Employee Background Check

Prior to making an offer of employment, Buffalo Materials Handling may conduct a job-related background check. A comprehensive background check may consist of prior employment verification, professional reference checks, education confirmation, and/ or criminal history.

3.5 Driver's License/Driver Record

Employees whose work requires operation of a motor vehicle must present and maintain a valid driver's license and a driving record acceptable to our insurer. You will be asked to submit a copy of your driving record to BMH from time to time. Any changes in your driving record must be reported to the VP of Accounting, your direct Manager or President immediately. Failure to do so may result in disciplinary action, including possible dismissal.

3.6 How You Were Selected

We carefully select our employees through written application, personal interview and reference checks. After all available information was carefully considered and evaluated, you were selected to become a member of our team.

This careful selection process helps BMH to find and employ people who are concerned with their own personal success and the success of BMH; people who want to do a job well and who can carry on their work with skill and ability; and people who are comfortable with BMH and who can work well with our team.

3.7 Territory Manager/Salesperson Agreement

If you are hired to the position of a territory manager/salesperson, you will be asked to sign an agreement that cites certain terms and conditions regarding your position as a salesperson. The purpose of this agreement, among other things, is to clearly establish the terms for commission payment, territory assignment, etc.

3.8 Job Descriptions

We maintain a job description for each position in BMH. The job descriptions detail your duties and responsibilities as well as objectives for each position. When your duties and responsibilities are changed, your job description will be updated. If you wish to see your job description, please ask your manager.

3.9 Re-Employment of Former Employees

Depending on the circumstances, Buffalo Materials Handling may consider a former employee for re-employment. Such applicants are subject to Buffalo Materials Handling's usual pre-employment procedures. To be considered, an applicant must have been in good standing at the time of their previous separation of employment with Buffalo Materials Handling and must have provided at least two (2) weeks advance notice of their intention to terminate their employment with Buffalo Materials Handling.

3.10 Personnel Records and Administration

Keeping your personnel file up-to-date can be important to you with regard to pay, deductions, benefits and other matters. If you have a change in any of the following items, please be sure to notify your manager as soon as possible:

1. Legal name
2. Home address
3. Home telephone number
4. Person to call in case of emergency
5. Number of dependents
6. Marital status
7. Change of beneficiary
8. Driving record or status of driver's license, if you operate any Company vehicles
9. Military or draft status
10. Exemptions on your W-4 tax form

In order to ensure that you and your family may receive the correct coverage and benefits, please keep the information in your personnel file updated. Any change in an employee's name, address, telephone number, marital status, dependents, or insurance beneficiaries, or a change in the number of tax withholding exemptions, needs to be reported in writing without delay to your manager.

You may make an appointment with your manager to review your Personnel file.

3.11 Work Schedule

Unless otherwise specified, regular full-time employees are expected to work at least thirty (30) hours per workweek.

3.12 Record of Absence/Lateness

If you are absent because of illness for three (3) or more successive days, BMH will require that you submit written documentation from your doctor and it may be required to include information regarding your ability to resume normal work duties before you will be allowed to return to work. You will be responsible for any charges made by your doctor for this documentation.

Your manager will make a note of any absence or lateness in your personnel file. Your attendance record will be considered when evaluating requests for promotions, transfers, leaves of absence and approved time off, as well as scheduling layoffs, etc.

3.13 Meal Periods

You are required to take a 30-minute meal if you work more than six (6) hours by New York State law.

3.14 Customer Relations

The success of Buffalo Materials Handling depends upon the quality of the relationships between management, employees, our customers, our suppliers and the general public. Our customers' impression of Buffalo Materials Handling and their interest and willingness to purchase from us is greatly formed by the people who serve them. In a sense, regardless of your position, you are Buffalo Materials Handling's ambassador. The more goodwill you promote, the more our customers will respect and appreciate you, Buffalo Materials Handling and Buffalo Materials Handling's products and services.

Here are several things you can do to help give customers a good impression of Buffalo Materials Handling:

1. Act competently and deal with customers in a courteous and respectful manner.
2. Communicate pleasantly and respectfully with other employees at all times.
3. Follow up on orders and questions promptly, provide businesslike replies to inquiries and requests and perform all duties in an orderly manner.
4. Take great pride in your work and enjoy doing your very best.

These are the building blocks for your and Buffalo Materials Handling 's continued success.

3.15 Outside Employment

What you do on your free time is your own business. However, if you are employed by Buffalo Materials Handling in a full-time position, Buffalo Materials Handling expects that your position here is your primary employment. Any outside activity must not interfere with your ability to properly perform your job duties at Buffalo Materials Handling.

If you are thinking of taking a second job, it is requested that you notify your manager immediately. He will thoroughly discuss the opportunity with you to make sure that it will not interfere with your job at Buffalo Materials Handling nor pose a conflict of interest.

3.16 Performance Reviews

Your manager is continuously evaluating your job performance. Day-to-day interaction between you and your manager should give you a sense of how your manager perceives your performance.

However, to maintain communication, BMH conducts a formal review between the first and second quarter of every year. A review may also be conducted in the event of a promotion or change in duties and responsibilities.

During formal performance reviews, your manager will consider the following things, among others:

- Attendance, initiative and effort
- Knowledge of your work
- Attitude and willingness
- The quality and quantity of your work

The primary reason for performance reviews is to identify your strengths and areas for improvement in order to reinforce your good habits and develop ways to improve in other areas. This review also serves to make you aware of and to document how your job performance compares to the goals and description of your job.

In addition to individual job performance reviews, BMH periodically conducts a review of job descriptions to ensure that we are fully aware of any changes in the duties and responsibilities of each position, and that such changes are recognized and adequately compensated.

3.17 Compensation Reviews

Wage and salary increases are based on merit alone, not length-of-service or the cost-of-living. Having your compensation reviewed does not necessarily mean that you will be given an increase.

BMH conducts compensation reviews annually, typically at the same time or no more than one month after your performance appraisal. Any wage or salary increases will appear in the pay period ending after the dates they are granted.

3.18 Exit Interview

In a voluntary separation situation, Buffalo Materials Handling management would like to conduct an exit interview to discuss the employee's reasons for leaving and any other impressions that the employee may have about the company.

3.19 Return of Company Property

Any property issued to employees, such as computer equipment, keys, gas cards, uniforms, a vehicle and company equipment, must be returned at the time of employment separation. Employees are required to sign an acknowledgement form that they have received BMH property that must be returned once their employment with BMH has ceased. Employees will be responsible for any lost or damaged items.

4 STANDARDS OF CONDUCT

4.1 General Guidelines

All employees are urged to become familiar with Buffalo Materials Handling's rules and standards of conduct and are expected to follow these rules and standards faithfully in doing their own jobs and conducting the company's business.

4.2 Code of Conduct Policy

It is important that we all demonstrate a high level of responsibility and act appropriately and professionally in the work place. The following guidelines, work rules and policies will assist you in understanding our expectations.

Professional conduct and our expectations include:

- Providing excellent customer service
- Dependability – reporting to work when scheduled and on time
- Following all federal, state and local laws and regulations
- Performing your job with enthusiasm and meeting the standards for your position
- Valuing diversity and treating everyone with respect
- Presenting a professional, well-groomed image including appropriate attire and hygiene
- Integrity

Other activities may be harmful to the organization. These include, but are not limited to, such things as:

1. Falsification of any employment or other work-related documents
2. Insubordination; refusal to follow directions; or disrespect towards management or fellow employees
3. Dishonesty; breach of trust; or theft
4. Abuse or destruction of company property, equipment, or supplies
5. Absenteeism, tardiness or failure to follow proper call-in procedure
6. Violation of Non-Harassment policy
7. Fighting, roughhousing, profanity, or any other inappropriate conduct on company property
8. Possession, use (unless at an approved company function), or sale of alcohol or drugs on company property or coming to work under their influence
9. Working unapproved overtime or working off the clock
10. Violation of health, safety, or fire codes
11. Leaving the premises during a scheduled shift without permission
12. Failure to report any injury or accident to management immediately
13. Smoking in non-designated area
14. Failure to submit medical information concerning physical ability to perform essential job functions
15. All forms of solicitation
16. Possession of weapons on company property
17. All forms of gambling on company property
18. Sleeping on the job
19. Failure to follow time clock procedures (punching in or out for another employee or having another employee punch in or out for you).
20. Failure to follow procedures
21. Violation of Non-Disclosure/Confidentiality Agreement
22. Driving unsafely or unprofessionally
23. Conducting personal business while on company time and/or using company property/equipment for personal business including personal internet and telephone usage
24. Violation of dress code, if applicable.
25. Violation of the company expectations regarding professional conduct as stated above
26. Violation of a policy or work rule as established in the employee manual

4.3 Attendance, Tardiness, and Absenteeism

Buffalo Materials Handling expects employees to be ready to work at the beginning of assigned daily work hours, and to reasonably complete their projects by the end of assigned work hours.

From time to time, it may be necessary for an employee to be late or absent from work. Buffalo Materials Handling is aware that emergencies, illnesses, or pressing personal business that cannot be scheduled outside work hours may arise. It is the responsibility of all employees to contact a member of management if they will be absent or late.

- Planned Absences – If you will be absent from work, you must request the day off as soon ahead of time as possible.
- Unplanned Absences and Tardiness
- You must report the situation directly to your manager as early as possible before your normal starting time each day. If the employee had a doctor's note designating an extended length of absence, it is only necessary for him to call once per week.
- Unreported absence for three (3) consecutively scheduled days will be considered a voluntary quit.
- Repeated pattern of absence and/or tardiness will lead to further disciplinary action.

4.4 Non-Harassment Policy

We believe that all employees are entitled to a work environment free from harassment. We strictly prohibit any conduct which constitutes harassment based on race, color, religion, age, sex, pregnancy, national origin, sexual orientation, disability or marital status. Disciplinary actions will be taken against any employee guilty of committing such conduct. This policy is based on Title VII of the Civil Rights Act, as amended, and other applicable laws and court decisions.

Harassment is defined as any unwelcome verbal or physical conduct, which is based on an employee's personal characteristics when:

- Submission to the harassment is made either explicitly or implicitly a term or condition of employment
- Submission to or rejection of the harassment is used as a basis for employment decisions affecting an individual
- The harassment has the purpose or effect of interfering with an individual's work performance or creating an intimidating, hostile or offensive working environment

Harassment includes but is not limited to:

- Sexually-oriented language, verbal abuse or "kidding"
- Unwanted sexual advances
- Unwanted physical contact
- Demands for sexual favors accompanied by promises or threats
- Interference with another individual's work performance through any type of sexually-oriented activity
- Creating a work environment that is hostile or offensive because of sexually-oriented or other conduct that interferes with another person's ability to do the job.
- Verbal abuse or kidding that speaks about another person's personal characteristics

In fulfilling their obligation to maintain a positive and productive work environment, managers are expected to halt any harassment of which they become aware. They are responsible for reporting all complaints to a Vice President or the President of BMH.

Any employee who believes he has been harassed by a co-worker, manager, customer or vendor should bring the matter to the attention of the owner, their manager or any other member of management immediately.

All complaints of harassment will be investigated fully and fairly, and remedied, where necessary, by appropriate disciplinary action up to and including termination. Confidentiality will be maintained to the maximum extent possible. We will also ensure a no retaliation policy against an employee who, in good faith, reports harassment. If an employee believes retaliation takes place, he needs to notify the owner, his manager or any member of management so appropriate action may be taken.

4.5 Violence in the Workplace

Nothing is more important than the safety and security of our employees, customers, vendors, and anyone else on our property.

Buffalo Materials Handling has adopted a policy prohibiting workplace violence. Consistent with this policy, acts or threats of physical violence, including intimidation, harassment, and/or coercion, which involve or affect Buffalo Materials Handling or which occur on Buffalo Materials Handling or customer property, will not be tolerated.

4.6 Confidential Information and Nondisclosure

Our customers and suppliers entrust Buffalo Materials Handling with important information relating to their businesses. The nature of this relationship requires maintenance of confidentiality. In safeguarding the information received, Buffalo Materials Handling earns the respect and further trust of our customers and suppliers.

Your employment with Buffalo Materials Handling assumes an obligation to maintain confidentiality even after you leave our employ.

Any violation of confidentiality seriously injures Buffalo Materials Handling's reputation and effectiveness. Therefore, please do not discuss Company business with anyone who does not work for us and never discuss business transactions with anyone who does not have a direct association with the transaction. Even casual remarks can be misinterpreted and repeated, so develop the personal discipline necessary to maintain confidentiality. If you hear, see or become aware of anyone else breaking this trust, consider what he might do with information they get from you.

If you are questioned by someone outside Buffalo Materials Handling or your department and you are concerned about the appropriateness of giving them certain information, remember that you are not required to answer and that we do not wish you to do so. Instead, as politely as possible, refer the request to your manager or to the President.

No one is permitted to remove or make copies of any Buffalo Materials Handling records, reports or documents without prior management approval.

Because of its seriousness, disclosure of confidential information could lead to dismissal or legal action.

4.7 Progressive Corrective Coaching

It is our goal to provide the best possible work environment. To ensure this standard, it is necessary for all of us to follow our Code of Conduct. Where, in the sole judgment of company management, a violation or problem does not warrant immediate dismissal, and where management has determined that the employee should be given the opportunity to correct the violation or improve his performance to an acceptable level, a progressive corrective coaching plan may be taken.

The usual and customary steps that will be taken are:

- Coaching discussion – This will be an open discussion advising the employee of the concerns. The manager and employee will devise an action plan to improve performance.
- Written warning – This will advise the employee in writing of the violation or concern. An action plan with timeframes for improving performance will be included. The employee will know that his job is in jeopardy and that failure to correct the problem may result in separation of employment.
- Separation – termination from Buffalo Materials Handling.

5 COMPENSATION POLICIES

5.1 Base Compensation

It is Buffalo Materials Handling's desire to pay all employees' wages or salaries that are competitive with other employers in the marketplace and in a way that will be motivational, fair, and equitable. Compensation may vary based on roles and responsibilities, individual, and company performance, and in compliance with all applicable laws.

5.2 Basis for Determining Pay

Your pay is influenced by six (6) factors:

1. The nature and scope of the job
2. What other employers pay their employees for comparable jobs
3. Individual performance
4. Experience
5. Educational background
6. Customer Service

5.3 Uniform & Tool Reimbursement

For those employees required to wear safety/steel toed shoes, safety shoe purchases will be reimbursed up to \$150.00 annually with documented receipts.

After one (1) year of service, BMH will reimburse, with prior approval & subsequent receipt, their technicians up to \$300/year for replacement of tools needed to perform their job.

Uniforms will also be provided to employees whose daily duties require them to repair and/or transport customer equipment.

5.4 Discretionary Performance Bonuses

Performance bonuses may be given to Buffalo Materials Handling employees at the sole discretion of management. There are two factors that typically determine bonus availability and amounts: (a) Company Performance and Profits, (b) Personal Performance. Bonuses are not guaranteed.

Additionally, you must be actively employed on the date bonuses are distributed to be eligible to receive one.

5.5 Deductions from Paycheck (Mandatory)

Buffalo Materials Handling is required by law to make certain deductions from your paycheck each time one is prepared. Among these are your federal, state and local income taxes and your contribution to Social Security as required by law. These deductions will be itemized on your check stub. The amount of the deductions may depend on your earnings and on the information, you furnish on your W-4 form regarding the number of dependents/exemptions you claim. Any change in name, address, telephone number, marital status or number of exemptions must be reported to your manager immediately to ensure proper credit for tax purposes. The W-2 form you receive each year indicates precisely how much of your earnings were deducted for these purposes.

Any other mandatory deductions to be made from your paycheck, such as court-ordered attachments, will be explained whenever Buffalo Materials Handling is ordered to make such deductions.

5.6 Social Security

The United States Government operates a system of contributory insurance known as Social Security. As a wage earner, you are required by law to contribute a percentage of your weekly wages to the trust fund from which benefits are paid. As your employer, Buffalo Materials Handling is required to deduct this amount from each paycheck you receive. In addition, Buffalo Materials Handling matches your contribution dollar for dollar, thereby paying one-half (1/2) of the cost of your Social Security benefits.

5.7 Time Cards & Timekeeping Procedure

By law, Buffalo Materials Handling is obligated to keep accurate records of the time worked by "non-exempt" employees. Each employee must complete the appropriate time record procedure each week, and time records must be completed in accordance with the Buffalo Materials Handling time-reporting guidelines.

5.8 Error in Pay

Every effort is made to avoid errors in your paycheck. If you believe an error has been made, tell your manager immediately. He will take the necessary steps to research the problem and to assure that any necessary correction is made properly and promptly.

5.9 Overtime Pay

From time to time, it may be necessary for you to perform overtime work in order to complete a job on time. All overtime must be approved in advance by your manager. When it is necessary to work overtime, you are expected to cooperate as a condition of your employment. There are two (2) types of overtime work:

1. **Scheduled Overtime:** Scheduled overtime work is announced in advance and generally will involve an entire department or operation. This type of overtime becomes part of the required workweek of the people who are members of the department or operation. If you need to be excused from performing scheduled overtime, please speak with your manager. He will consider your situation and the requirements of the department or operation in deciding whether you may be excused from performing the scheduled overtime.
2. **Incidental Overtime:** Incidental overtime is not scheduled; it becomes necessary in response to extenuating circumstances. It is extra time needed to complete work normally completed during regular hours. Incidental overtime may become necessary when an illness or emergency keeps co-workers from being at work as anticipated. It may require you to return to the workplace for emergency work.

If you are a "non-exempt" employee and you perform overtime work, you will be paid one and one-half (1-1/2) times your regular hourly wage for any time over forty (40) hours per week that you work. If, during that week, you were away from the job because of a job-related injury, paid holiday, jury duty, vacation taken in single-day increments or paid sick time, those hours not worked will not be counted as hours worked for the purpose of computing eligibility for overtime pay.

5.10 Work Performed on Holidays

Full-time hourly ("non-exempt") employees who work on a Company holiday will be deemed to have worked overtime on that day and will be paid their overtime rate for hours worked regardless of the number of hours they work that workweek.

5.11 Wage Garnishments

At times we may be required to deduct or garnish wages based on a court order.

5.12 Pay Period and Paydays

You are paid weekly and your payday is every Friday. Changes will be made and announced in advance should Buffalo Materials Handling holidays or closings interfere with the normal payday.

5.13 Pay Distribution & Cashing Procedures

On payday, your pay is either

1. Directly deposited into the account(s) you specify
2. Added to your company issued debit card.

5.14 Inclement Weather & "Acts of God"

At times, emergencies such as severe weather, a pandemic, fires, or power failures can disrupt company operations. In such instances, Executive Staff will decide on the closure and will provide the official notification to the employees.

Unfortunately, you will not be paid when work is not available due to circumstances not within Buffalo Materials Handling's control; the following are examples of such circumstances.

- Operations cannot commence or continue due to threats to employees or property or when recommended by civil authorities.
- Public utilities fail to supply electricity, water or gas, or there is a failure in the public utilities or sewer system.
- The interruption of work is caused by an "Act of God" (inclement weather, fire, flood, earthquake, avalanche, etc.) or some other cause not within Buffalo Materials Handling's control.

5.15 Expense Reimbursement

Under ordinary circumstances, it is the policy of Buffalo Materials Handling to reimburse expenses on the basis of actual expenses involved. Please see a member of management for details of the program.

5.16 Employment Termination/Resignation

Should events arise that cause you to leave your employment at BMH, it is expected that you will give at least two (2) weeks notice.

6 OTHER POLICIES

6.1 Communications

Successful working conditions and relationships depend upon successful communication. Not only do you need to stay aware of changes in procedures, policies and general information, you also need to communicate your ideas, suggestions, personal goals or problems as they affect your work.

In addition to the exchanges of information and expressions of ideas and attitudes which occur daily, make certain you are aware of and utilize all Buffalo Materials Handling methods of communication, including this Employee Manual, electronic bulletin boards, discussions with your manager, memoranda, staff meetings, newsletters, training sessions, etc.

You will receive other information booklets, such as your insurance booklets, from time to time. You may take these booklets home so that your family may know more about your job and your benefits.

6.2 Company Supplies, Other Expenditures

Only authorized persons may purchase supplies in the name of Buffalo Materials Handling. No employee whose regular duties do not include purchasing may incur any expense on behalf of the company. Without a properly approved purchase order, Buffalo Materials Handling is not obligated for any purchase.

6.3 Computer Software (Unauthorized Copying)

Buffalo Materials Handling does not condone the illegal duplication of software. The copyright law is clear. The copyright holder is given certain exclusive rights, including the right to make and distribute copies. Title 17 of the U.S. Code states that "it is illegal to make or distribute copies of copyrighted material without authorization" (Section 106). The only exception is the users' right to make a backup copy for archival purposes (Section 117).

The law protects the exclusive rights of the copyright holder and does not give users the right to copy software unless a backup copy is not provided by the manufacturer. Unauthorized duplication of software is a Federal crime. Penalties include fines of as much as \$250,000 and jail terms of up to five (5) years.

Even the users of unlawful copies suffer from their own illegal actions. They receive no documentation, no customer support and no information about product updates.

1. Buffalo Materials Handling licenses the use of computer software from a variety of outside companies. Buffalo Materials Handling does not own this software or its related documentation and, unless authorized by the software manufacturer, does not have the right to reproduce it.
2. With regard to use on local area networks or on multiple machines, Buffalo Materials Handling employees shall use the software only in accordance with the license agreement.
3. Buffalo Materials Handling employees learning of any misuse of software or related documentation within Buffalo Materials Handling shall notify the department manager or Buffalo Materials Handling legal counsel.
4. According to the U.S. Copyright Law, illegal reproduction of software can be subject to civil damages and criminal penalties, including fines and imprisonment. Buffalo Materials Handling employees who make, acquire or use unauthorized copies of computer software shall be disciplined as appropriate under the circumstances. Such discipline may include dismissal.

6.4 Concerns/Complaint Procedure

Our goal is to maintain a comfortable working environment for everybody. We do this in several ways:

- By treating each of you as an individual and encouraging your maximum development;
- By recognizing that each of you is essential to the success and growth of Buffalo Materials Handling; and
- By maintaining direct communications with all of our employees and ensuring that each and every one of you can speak directly and openly with our management team.

We believe that this type of communication is best for all concerned. Therefore, when you wish to express your concerns, opinions or suggestions, you will always find an open door and an attentive ear.

Resolving Concerns

Employees who have a job-related issue, question, or complaint should first discuss it with their immediate manager. Your manager is most familiar with you and your job and is, therefore, in the best position to assist you. Your manager works closely with you and is interested in seeing that you are treated fairly and properly.

If the issue cannot be resolved at this level, Buffalo Materials Handling encourages employees to contact an officer, including the president of BMH, directly.

6.5 Contributions

Contributions are made only in communities where we have a location or where our employees benefit from these contributions. We make no contributions to churches or other organizations where such contributions will only benefit the members of that organization. All decisions concerning contributions are made by the owner of BMH. BMH does not exceed its budgeted allowance for contributions.

Please make others aware of this policy should you be asked to solicit BMH for contributions which don't meet these standards.

6.6 Dress Code/ Appearance/ Hygiene

Please understand that you are expected to dress and groom yourself in accordance with accepted social and business standards. A good clean appearance bolsters your own poise and self-confidence and greatly enhances our company image. Employees provided a uniform are expected to keep their shirt tucked in and start the day with a clean set.

If you work in our office and do not visit customers, you may dress casually. Although our office dress code is casual, the following is a partial list of items that are not acceptable at BMH: any item which is torn, stained, or otherwise unprofessional or inappropriate such as certain logos and slogans on hats & t-shirts. If you are unsure whether an item is acceptable, please ask your manager.

Employees who visit customer sites should be dressed in business casual or business attire. Please observe what the customer is wearing and dress appropriately. If you are unsure of the customer's dress code, please choose business attire.

If your manager feels your attire is out of place, you may be asked to leave your workplace until you are properly attired. You will not be paid for the time you are off the job for this purpose. Your manager has the sole authorization to determine an appropriate dress code, and anyone who violates this standard will be subject to appropriate disciplinary action.

6.7 Education & Training

From time to time, BMH may arrange to have both formal and informal training programs to enable you to progress in your knowledge of our business. Several times a year, employees are selected to attend workshops or training programs. You will receive a normal paycheck while attending these workshops. All or a portion of the expenses for off-premises training will be paid for by BMH depending on the nature of the course. Check with your manager for details.

If you become aware of a particular seminar that you believe is appropriate for enhancing your skills (and/or those of other employees), please bring it to the attention of your manager. Since these seminars are usually offered only at specified times in a geographical area, please be sure to notify your manager as far in advance as possible. This way, he or she can attempt to schedule workloads to accommodate your (and/or other employees') desire to attend the seminar.

6.8 Electronic Communication Policy

Prohibited Communications

Electronic media cannot be used for knowingly transmitting, retrieving, or storing any communication that is:

1. Discriminatory or harassing
2. Derogatory to any individual or group
3. Obscene or sexually explicit
4. Defamatory or threatening
5. In violation of any license governing the use of software
6. Engaged in for any purpose that is illegal or contrary to this policy or business interests

Personal Use

The computers, electronic media and services provided by BMH are solely for business use to assist employees in the performance of their jobs. Limited, occasional, or incidental use of electronic media (sending or receiving) for personal, non-business purposes is understandable and acceptable at minimal levels, and all such use should be done in a manner that does not negatively affect the systems' use for their business purposes. Please note, this must be done on your break or lunch time and employees are expected to demonstrate a sense of responsibility and not abuse this privilege.

Access to Employee Communications

Generally, electronic information created and/or communicated by an employee using e-mail, word processing, utility programs, spreadsheets, voicemail, telephones, Internet and bulletin board system access, and similar electronic media is not reviewed by the company. However, the following conditions should be noted:

BMH does routinely gather logs for most electronic activities or monitor employee communications directly, e.g., telephone numbers dialed, sites accessed, call length, and time at which calls are made, for the following purposes:

1. Cost analysis
2. Resource allocation
3. Optimum technical management of information resources
4. Detecting patterns of use that indicate violation of company policies or illegal activity

BMH reserves the right, at its discretion, to review any employee's electronic files and messages to the extent necessary to ensure electronic media and services are being used in compliance with the law, this policy and other company policies.

Software

To prevent computer viruses from being transmitted through the company's computer system, unauthorized downloading of any unauthorized software is strictly prohibited. Only software registered through BMH may be downloaded. Employees should contact the president of BMH if they have any questions.

Security/Appropriate Use

Employees must respect the confidentiality of other individuals' electronic communications. Except in cases in which explicit authorization has been granted by company management, employees are prohibited from engaging in, or attempting to engage in:

1. Monitoring or intercepting the files or electronic communications of other employees or third parties
2. Hacking or obtaining access to systems or accounts they are not authorized to use
3. Using other people's log-ins or passwords
4. Breaching, testing, or monitoring computer or network security measures

No e-mail or other electronic communications can be sent that attempt to hide the identity of the sender or represent the sender as someone else.

Electronic media and services should not be used in a manner that is likely to cause network congestion or significantly hamper the ability of other people to access and use the system.

Anyone obtaining electronic access to other companies' or individuals' materials must respect all copyrights and cannot copy, retrieve, modify or forward copyrighted materials except as permitted by the copyright owner.

Participation in online forums

Employees should remember that any messages or information sent on company-provided facilities to one or more individuals via an electronic network—for example, Internet mailing lists, bulletin boards, and online services—are statements identifiable and attributable to BMH.

BMH recognizes that participation in some forums might be important to the performance of an employee's job. For instance, an employee might find the answer to a technical problem by consulting members of a news group devoted to the technical area.

Violations

Any employee who abuses the privilege of their access to e-mail or the Internet in violation of this policy will be subject to corrective action, including possible termination of employment, legal action, and criminal liability.

6.9 Employee Referral

You are encouraged to recommend and refer qualified candidates for employment with BMH. If you know of someone who would like to work here, we will be glad to consider him or her for appropriate openings. Notify your manager and be sure the individual mentions your name when contacting BMH.

6.10 Entry After-Hours

You are not allowed to enter Buffalo Materials Handling property after normal working hours for any reason without the express approval of your manager or the manager on duty.

6.11 Equipment Use and Maintenance

Buffalo Materials Handling may provide specific employees with equipment and/or vehicles needed to do their job. None of this equipment and/or vehicles should, nor are allowed, to be used for personal use unless expressly written. Using a company vehicle for personal use is grounds for immediate dismissal. It is your responsibility to understand the vehicles and equipment you need to use to perform your duties. Good care of any equipment that you use during the course of your employment, as well as the conservative use of supplies, will benefit you and Buffalo Materials Handling. If you find that something is not working properly or in any way appears unsafe, please notify your manager immediately so that repairs or adjustments may be made. Under no

circumstances should you start or operate a machine or vehicle you deem unsafe, nor should you adjust or modify the safeguards provided.

6.12 Fines and Penalties

Employees are responsible to pay any traffic fines or penalties incurred while driving any company owned vehicles.

6.13 First Aid/Accident Reporting

Federal law ("OSHA") requires that we keep records of all accidents and/or injuries which occur during the workday. The New York State Workers' Compensation Act also requires that you report any injury on the job, no matter how slight. If you hurt yourself, you must contact your manager immediately and personally complete and submit a company accident report. If you fail to report an injury, you may jeopardize your right to collect workers' compensation payments as well as health benefits. OSHA also provides for your right to know about any health hazards which might be present on the job. Should you have any questions or concerns, contact your manager for more information.

Located in the company warehouse is an eye wash and first aid station as well as Safety Data Sheets (SDS). Safety Data Sheets are also available online, for all technicians, in the Technician Data folder under SDS.

6.14 Inspection of Packages

Buffalo Materials Handling reserves the right to inspect all packages or closed containers brought into or taken out of the work area.

6.15 Internet Usage

Employees are responsible for using the Internet in a manner that is ethical and lawful. Use of the Internet must solely be for business purposes and must not interfere with employee productivity. Buffalo Materials Handling reserves the right to block access to certain internet web sites and monitor its employees' use of internet locations.

6.16 Layoff & Recall

In the unlikely event of a reduction in workforce, employees will be laid off based on skills and abilities as well as seniority. Please understand that if the skills and abilities of two (2) employees are equal, seniority will be the determining factor in the layoff decision. Employees who are on layoff are not eligible for benefits, unless otherwise noted.

6.17 Life-Threatening Illnesses

Buffalo Materials Handling recognizes that employees with a life-threatening illness, including, but not limited to, cancer, heart disease and AIDS, may wish to continue to engage in as many of their normal pursuits as their condition allows, including work. These employees must be able to meet acceptable performance standards. Performing normal job functions must not exacerbate their condition. Medical evidence must indicate that their condition is not a threat to other workers.

Managers need to be sensitive to the employee's condition and ensure that the employee is treated consistently with other employees. Buffalo Materials Handling seeks to provide a safe work environment for all employees and customers. Therefore, precautions should be taken to ensure that any employee's condition does not present a health and/or safety threat to other employees or customers.

When dealing with situations involving employees with life-threatening illnesses, managers should:

- Remember that an employee's health condition is personal and confidential, and, reasonable precautions should be taken to protect information regarding an employee's health condition.
- Contact an officer if you believe that you or other employees need information about a terminal illness, a specific life-threatening illness, possible contagion or if you need further guidance in managing a situation that involves an employee with a life-threatening illness.
- Contact an officer to determine if a statement should be obtained from the employee's attending physician that continued presence at work will pose no threat to the employee, co-workers or customers. Buffalo Materials Handling reserves the right to require an examination by a medical doctor appointed by Buffalo Materials Handling.
- Make reasonable accommodation for employees with a life-threatening illness provided that any accommodations made do not require significant difficulty or expenses.
- Be sensitive and responsive to co-workers' concerns.
- Be sensitive to the fact that continued employment for an employee with a life-threatening illness may sometimes be therapeutically important in the remission or recovery process or may help to prolong that employee's life.

6.18 Open Door Policy & Counseling

If a problem or complaint is of a personal nature, or a very delicate matter, you may meet first with any member of management, including the President, to discuss it. He or she will decide if you should first discuss the problem with your immediate manager.

6.19 Personal Phone Calls & Mail

Buffalo Materials Handling property, including computers, phones, postage meters, electronic mail, and voice mail, should be used only for conducting company business. Incidental and occasional personal use of company computers, phones, or electronic mail and voice mail systems is permitted, but information and messages stored in these systems will be treated no differently from other business-related information and messages.

Please keep personal phone calls to a minimum—they must not interfere with your work. You are permitted to make limited local area calls on company telephones for essential personal business during meal or "break" periods only. Please do not abuse this privilege. Emergency calls regarding illness or injury to family members, changed family plans or calls for similar reasons may be made at any time. Incoming urgent calls will be directed to you.

Please don't use Buffalo Materials Handling as a personal mailing address and do not put personal mail in the stacks that are to be run through the postage meter.

6.20 Personal Property

Due to the strict liability guidelines of our insurance carrier, under no circumstances, unless given explicit and written permission, are you allowed to keep personal equipment or vehicles on Buffalo Materials Handling property where damage or fire could result. Please take care to ensure the safety and security of personal items as Buffalo Materials Handling cannot be responsible for lost, stolen or damaged goods.

6.21 References

Buffalo Materials Handling does not respond to requests for references. If appropriate, we will only verify dates of your employment with Buffalo Materials Handling. As an employee, do not under any circumstances respond to any requests for information regarding another employee unless it is part of your assigned job responsibilities. If it is not and you receive a request for a reference, you should forward the request to your manager for a response.

6.22 Safety Rules

Safety is everybody's business. Safety is to be given primary importance in every aspect of planning and performing all Buffalo Materials Handling activities. We want to protect you against industrial injury and illness as well as minimize the potential loss of production.

Please report all injuries (no matter how slight) to your manager immediately as well as anything that needs repair or is a safety hazard. Below are some general safety rules. Your manager or department head may post other safety procedures in your department or work area:

- Know where the company's SDS are located.
- Avoid overloading electrical outlets with too many appliances or machines.
- Use flammable items, such as cleaning fluids with caution.
- Report to your manager if you or a co-worker becomes ill or is injured.
- Ask for assistance when lifting heavy objects or moving heavy furniture.
- Smoke only in designated smoking areas.
- Keep cabinet doors and file and desk drawers closed when not in use.
- Wear or use appropriate safety equipment as required in your work.
- Avoid "horseplay" or practical jokes.
- Start work on any machine only after safety procedures and requirements have been explained (and you understand them).
- Wear appropriate personal protective equipment, like steel toed shoes, hats, gloves, goggles, safety harnesses, hearing protectors, etc., in designated areas or when working on an operation which requires their use.
- Keep your work area clean and orderly and the aisles clear.
- Stack materials only to safe heights.
- Watch out for the safety of fellow employees.
- Use the right tool for the job and use it correctly.
- Operate motorized equipment only if authorized by your immediate manager. All operators must be licensed by Buffalo Materials Handling.

Remember, failure to adhere to these rules will be considered serious infractions of safety rules and will result in disciplinary actions.

6.23 Security

Maintaining the security of Buffalo Materials Handling buildings and vehicles is every employee's responsibility. Develop habits that ensure security as a matter of course. For example:

- Always keep cash properly secured. If you are aware that cash is insecurely stored, immediately inform the person responsible.
- Always ensure that your company vehicle is locked when unattended.
- Know the location of all alarms and fire extinguishers and familiarize yourself with the proper procedure for using them should the need arise.
- When you leave Buffalo Materials Handling's premises make sure that all entrances are properly locked and secured.

6.24 Smoking Policy

We feel it is our responsibility to provide a workplace free of exposure to hazardous substances, and we have therefore established our facility and business as a smoke-free workplace. All employees are expected to abide by this policy while at work. Please note that smoking breaks must fall within the meal and break policy timeframes.

6.25 Solicitations and Distributions

Solicitation for any cause during working time and in working areas is not permitted. You are not permitted to distribute non-company literature in work areas at any time during working time. Working time is defined as the time assigned for the performance of your job and does not apply to break periods and meal times. Working areas do not include the meal room or the parking areas. Solicitation during authorized meal and break periods is permitted so long as it is not conducted in working areas. However, employees are not permitted to sell chances, merchandise or otherwise solicit money or contributions without management approval.

Persons not employed by Buffalo Materials Handling are prohibited from soliciting or distributing literature on company property.

6.26 Substance and Alcohol Abuse

1. Employees are expected and required to report to work on time and in appropriate mental and physical condition for work. Employees are expected to maintain this condition during all working hours and anytime they are on company premises. It is our intent and obligation to provide a drug-free, healthful and safe work environment.
2. The unlawful manufacture, distribution, possession or use of a controlled substance, illegal drug or alcohol on Buffalo Materials Handling 's premises, during established business hours or while conducting Buffalo Materials Handling's business off its premises is absolutely prohibited. Violations of this policy will result in disciplinary action, up to and including termination, and may have legal consequences.
3. Employees must report any conviction under a criminal drug statute for violations occurring on or off Buffalo Materials Handling's premises while conducting company business. A report of a conviction must be made within seven (7) days after the conviction.
4. Buffalo Materials Handling recognizes drug dependency as an illness and a major health problem. Buffalo Materials Handling also recognizes drug abuse as a potential health, safety and security problem. Employees needing help in dealing with such problems are encouraged to use our health insurance programs and assistance available through agencies such as the United Way. (Further information about these programs is available from management.) Conscientious and consistent efforts to seek such help will not jeopardize any employee's job and will not be noted in any personnel record. Any performance related concerns will be addressed as per company policy.
5. Buffalo Materials Handling reserves the right to drug test under several different conditions including randomly, post-accident and under reasonable suspicion (which must be based on specific reliable observations about the employee's appearance, behavior, speech or body odors. Some examples would be unsteady gait, odor of alcohol on the breath, slurring speech, aggressive or abusive language or behavior, disorientation or lethargy).

Substance Abuse Policy Definitions:

1. The term "working hours" means the employee's entire shift or workday, from the time an employee first reports for work until his work is done for the day, including meal and break times.
2. The term "company premises" means all Company property including offices, work locations, company vehicles, eating areas, parking lots, lockers and desks.
3. The term "illegal drugs" means all controlled substances, narcotics and other drug-related materials whose use without specific medical authorization is a criminal offense under State or Federal Law, that includes, but is not limited to, marijuana, cocaine, barbiturates, benzodiazepines, opiates, amphetamines and PCP.

Substance Abuse Policy Procedures:

As a means of enforcing this Policy, Buffalo Materials Handling may test employees to scientifically determine the presence and/or any level of alcohol or illegal drugs in an individual's system. Depending on the circumstances and/or the violation suspected, the employee will be directed to permit collection of a sample of urine, breath or blood for analysis by a laboratory. Controlled substance testing will be conducted by a NIDA certified laboratory that will be retained for this purpose by Buffalo Materials Handling. Collections will be carried out as privately as possible and will use methods to ensure the integrity of the sample provided. Tamper proof methods of storage shall be used, a secure chain of custody shall be maintained and laboratory analysis will use methods which have been demonstrated to produce specifically accurate and reliable results.

Employees will be permitted to justify positive test results by providing evidence of a doctor's prescription. If an employee satisfies that there is a legitimate, lawful explanation for the confirmed positive test result, the report will be a negative test result. Analysis results and all other documentation pertaining to the testing process will be maintained as confidentially as possible.

Employees will be asked to sign a written consent prior to the testing process to take place. Federal regulations now require employees to submit to these tests and all employees must agree to submit to the testing process, including the collection and analysis of samples, as a condition of their employment with Buffalo Materials Handling.

If an employee refuses to sign a consent form, testing will not be done; however, a refusal to submit to testing when directed will be deemed a refusal to comply with Buffalo Materials Handling requirements and may result in the employee's discipline up to and including immediate discharge.

6.27 Theft Policy

We take internal theft very seriously. Although taking small items of Company property many seem inconsequential, the cumulative effect can be very large. Stealing from Buffalo Materials Handling is like stealing from yourself, in that losses from theft immediately affect our ability to increase salaries and can jeopardize the profitability of Buffalo Materials Handling.

Property theft of any type will not be tolerated. We consider property theft to be the unauthorized use of company services or facilities or the taking of any company property for personal use.

Theft/Disciplinary Action

Unauthorized possession or removal of company property is a very serious offense. Employees violating this policy will be subjected to discipline up to and including possible dismissal and prosecution. Buffalo Materials Handling will consider the dollar value of the item(s) taken, the employee's seniority and the employee's past work record in setting penalties. Referrals to criminal authorities will be made on a case-by-case basis.

6.28 Visitors in the Workplace

For safety, insurance, and other business considerations, only authorized visitors that are escorted by a BMH employee are allowed in the warehouse.

7 LEAVES OF ABSENCE

7.1 Unpaid Leaves of Absence

Occasionally, for medical, personal or other reasons, you may need to be temporarily released from the duties of your job with Buffalo Materials Handling, but may not wish to submit your resignation. Under certain circumstances, you may be eligible for an unpaid leave of absence.

There are several types of unpaid leaves which you may be eligible for.

7.2 Family/Medical Leave of Absence

In general, a leave of absence is an official authorization to be absent from work without pay for a specified period of time. Eligible employees may be entitled to job-protected family or medical leaves of absence if they are unable to come to work due to pressing family or medical concerns as described under the following Family/Medical Leave Policy, which shall be administered in accordance with applicable State and Federal laws:

- Employees are eligible if they have been actively employed for twelve (12) months, and worked at least 1250 hours (an average of twenty-five (25) hours per week) during those twelve (12) months.
- Salary continuation during any leave period shall depend upon the employee's qualifying for disability pay under the State's Disability Law.
- Time off under the disability policy shall be counted towards the twelve (12) week total. If you are not eligible for disability, the leave will be unpaid.

- Under the circumstances set forth below, each eligible employee shall have up to a total of twelve (12) weeks leave during any one (1) year period.
- A family leave shall be granted upon the birth or adoption of a child of the employee or upon the serious illness of the employee's child, spouse or parent.
- A medical leave shall be granted upon the employee's own serious illness.
- Whenever possible, and subject to your health care provider's approval, absences for planned medical treatment should be scheduled so as not to unduly disrupt company operations.
- In appropriate circumstances, we may require you to be examined by a company designated physician at company expense.
- In the event of a serious illness to the employee or his child, spouse or parent, creating a need for unforeseeable family or medical leave, the employee should provide us with notice, as soon as practicable, of any needed time off, and a written doctor's certificate indicating the expected duration and nature of the illness, particularly as it relates to the employee's ability to come to work or the need for that employee's presence at home to care for a seriously ill family member.
- Employees shall be required to give thirty (30) days advance notice in the event of a foreseeable medical treatment. To assist us in arranging work assignments during your absence, we ask that you give us prior notice, to the extent possible, of an expected birth or adoption, as well as an indication, to the extent known, of your expected return date. To facilitate your return to work, we also ask that you provide us with two (2) weeks advance notification of your intended return date. Failure to do so may delay your return date.
- A serious illness is defined as a disabling physical or mental illness, injury, impairment or condition involving (1) inpatient care in a hospital, nursing home or hospice; or (2) outpatient care requiring continuing treatment or supervision from a health care professional.
- Upon completion of a leave granted under this section, you shall be reinstated to your original position or an equivalent one as long as you report within three (3) days of the end of your leave. If you do not report within three (3) days, we will consider your leaving a voluntary quit.
- If, due to your own medical circumstances, you are no longer able to perform your original job, we will attempt to transfer you to alternate suitable work, if available.
- While on a leave of absence provided for under this policy, we will continue your group health insurance benefits under the same terms as provided to other employees, for up to a maximum of twelve (12) weeks leave time during any one (1) year period. If your leave extends beyond twelve (12) weeks, you shall be offered the opportunity to purchase continuing coverage under state and federal COBRA continuation rules. It is your responsibility to pay your portion of the healthcare premium.

- Other accumulated fringe benefits such as seniority, retirement, service credits, sick pay, vacation pay, etc., shall be preserved at the level earned as of commencement of the leave, but shall not accrue further during any such leave period.

PLEASE NOTE: You are responsible for regularly updating Buffalo Materials Handling of your status. We ask that you provide us with a note from your doctor following each visit. You may fax, mail, or drop notes off in person.

We understand there are times when your illness may be longer than twelve (12) weeks. If you are unable to return after twelve (12) weeks, we may separate your employment. That will not affect any compensation or disability payments you may be receiving.

7.3 Paid Family Leave Act

New York State Paid Family Leave provides eligible employees with up to 12 weeks of job protected, paid time off to bond with a new child, care for a family member with a serious health condition, or to assist loved ones when a family member is deployed abroad on active military service. This time can be taken all at once, or in increments of full days.

- Effective 1/1/22, Paid Family Leave may also be available in some situations when an employee or their minor, dependent child is under an order of quarantine or isolation due to COVID-19. (See the [COVID-19 quarantine leave page](#) for full details.)
- Employees taking Paid Family Leave receive 67% of their average weekly wage, up to a cap of 67% of the current Statewide Average Weekly Wage (SAWW).
- Employees have job protection, ensuring they can return to the same job (or a comparable one) when they return from Paid Family Leave.
- Employees can keep their health insurance while on leave on the same terms they had while working.
- Employers are prohibited from discriminating or retaliating against employees for requesting or taking Paid Family Leave.

7.4 Military Leave of Absence

If you are a full-time employee and are inducted into the U.S. Armed Forces, you will be eligible for re-employment after completing military service, provided:

- You ensure that your employer receives advance written or verbal notice of your service;
- You have five (5) years or less of cumulative service in the uniformed services while with that particular employer;
- You return to work or apply for reemployment in a timely manner after conclusion of service;
- You have not been separated from service with a disqualifying discharge or under other than honorable conditions; and
- You apply for and are available for re-employment within ninety (90) days after discharge from active duty. If you are returning from up to six (6) months active duty for training, you must apply within a reasonable time (usually thirty (30) days) after discharge.

7.5 Military Reserves or National Guard Leave of Absence

Employees who serve in U. S. military organizations or state militia groups may take the necessary time off without pay to fulfill this obligation and will retain all of their legal rights for continued employment under existing laws. These employees may apply earned paid time off or unused earned vacation time to the leave if they wish; however, they are not obliged to do so.

You are expected to notify your manager as soon as you are aware of the dates you will be on duty so that arrangements can be made for replacement during this absence.

8 GOVERNMENT REQUIRED BENEFITS

8.1 Jury Duty

It is your civic duty as a citizen to report for jury duty whenever called. If you are called for jury duty, we will permit you to take the necessary time off. We will pay you as per State and Federal law that is in place at the time of your jury duty. You must notify your manager within forty-eight (48) hours of receipt of the jury summons.

On any day or half-day, you are not required to serve, you will be expected to return to work. In order to receive jury duty, pay, you must present a statement of jury service and pay to your manager. This document is issued by the court.

8.2 New York State Disability Insurance

Employees are eligible for short-term disability benefits under New York State law after thirty (30) days of service. There is a one (1) week waiting period, the pay is one-half (1/2) of your average weekly wages up to a maximum of \$170 per week and payments continue for up to twenty-six (26) weeks. Disability leave is counted toward the twelve (12) weeks allowed under the Family and Medical Leave Act if eligible.

PLEASE NOTE: You are responsible for regularly updating Buffalo Materials Handling of your status. We ask that you provide us with a note from your doctor following each visit. You may fax, mail, or drop notes off in person.

We understand there are times when your illness may be longer than twelve (12) weeks. If you are unable to return after twelve (12) weeks, we may separate your employment. This will not affect any disability payments you may be receiving.

8.3 Workers' Compensation

Our State's Workers' Compensation Law is a no-fault insurance plan which is supervised by the state and one hundred percent (100%) paid for by Buffalo Materials Handling. This law was designed to provide you with benefits for any injury which you may suffer in connection with your employment. Under the provisions of the law, if you are injured while at work, you are eligible to apply for Workers' Compensation.

Workers Compensation leave is counted toward the twelve (12) weeks allowed under the Family and Medical Leave Act if eligible.

We understand there are times when your recovery may be longer than twelve (12) weeks. If you are unable to return after twelve (12) weeks, we may separate your employment. This will not affect any compensation payments you may be receiving.

What Is Covered?

Any injury is covered if it's caused by your job—not just serious accidents, but even first-aid type injuries. Illnesses may also be covered, if they're related to your job. For example, common colds and flu are not covered, but if you caught tuberculosis while working at a TB hospital, that's covered. The main question is if the injury or illness is the result of the performance of your job.

When Am I Covered?

Coverage begins the first minute you're on the job and continues anytime you're working for Buffalo Materials Handling. You don't have to work a certain length of time and there's no need to earn any minimum amount of wages before you're protected.

All injuries, no matter how slight, must be reported immediately to your manager to assure consideration under Workers' Compensation Insurance should complications develop later. Your manager will see that you receive medical attention and complete an accident report.

Prompt reporting is the key. Benefits are automatic but nothing can happen until we know about the injury. Ensure your right to benefits by reporting every injury no matter how slight.

8.4 Suggestions – We Need Your Ideas!

As a growing company, there are many changes and improvements that come about on a daily basis. We believe the person doing a job is in the best position to think of ways of doing it more easily, more efficiently and more effectively.

We encourage all employees to bring forward their suggestions and ideas about making our company a better place to work and enhancing service to our customers. Any employee who sees an opportunity for improvement is encouraged to talk it over with management. All suggestions are valued.

Remember, there are many areas of operation that can be potentially improved. These could be in sales, rentals, service, customer service, equipment, communications, safety, ways to reduce costs, losses, and/or waste or other improvements you may see a need for. Please give us the benefit of your unique experience and thoughts. Also, make sure to document your innovations and money-saving efforts and have them placed in your personnel file (include dates, detailed descriptions of your contributions, estimates from the accounting department regarding cost savings or profits generated, etc.) – these may favorably affect your wage, salary or promotion reviews.

9 RECEIPT & ACKNOWLEDGMENT

Buffalo Materials Handling Employee Manual and Benefits Manual

The Employee Manual, as well as the Benefits Manual, are important documents intended to help you become acquainted with Buffalo Materials Handling. They will serve as a guide; they are not the final word in all cases. Individual circumstances may call for individual attention.

Because the general business atmosphere of Buffalo Materials Handling and economic conditions are always changing, the contents of these manuals may be changed at any time at the discretion of Buffalo Materials Handling. No changes in any benefit, policy or rule will be made without due consideration of the mutual advantages, disadvantages, benefits and responsibilities such changes will have on you as an employee and on Buffalo Materials Handling. To view either manual, please go to the following URL:

<https://www.buffalomaterialshandling.com/manual.html>

Please read the following statements and sign below to indicate your receipt and acknowledgement of Buffalo Materials Handling Employee Manual and Benefits Manual.

- I have been shown online how to access and read a copy of Buffalo Materials Handling Employee Manual and Benefits Manual. I understand that the policies, rules and benefits described in it are subject to change at the sole discretion of Buffalo Materials Handling at any time. I understand that the current manual supersedes all other previous manuals for Buffalo Materials Handling.
- I further understand that my employment is terminable "at will", either by myself or Buffalo Materials Handling, regardless of the length of my employment or the granting of benefits.
- I understand that no contract of employment other than "at will" has been expressed or implied, and that no circumstances arising out of my employment will alter my "at will" employment relationship unless expressed in writing, with the understanding specifically set forth and signed by myself and the President of Buffalo Materials Handling.
- I am aware that during the course of my employment confidential information will be made available to me, marketing strategies, customer lists, pricing policies and other related information. I understand that this information is critical to the success of Buffalo Materials Handling and must not be given out or used outside of Buffalo Materials Handling's premises or with non-Company employees. In the event of termination of employment, whether voluntary or involuntary, I hereby agree not to utilize or exploit this information with any other individual or company.
- It is my responsibility to always remain current on BMH's policies, rules & procedures.
- I understand that my signature below indicates that I have read and understand the above statements and have been given access to a copy of Buffalo Materials Handling Employee Manual and Benefits Manual.

Employee's Printed Name _____

Position _____

Employee's Signature _____

Date _____

Please sign and give to your manager for filing in your Employee File.