



Employee Handbook

DECEMBER 2014

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DISCLAIMER OF EXPRESS OR IMPLIED CONTRACT OF EMPLOYMENT

This employee handbook is provided as a guide and does not create either an express or implied contract of employment of any specific duration.

I understand that employment at-will means that either Cat5 Resources, LLC or I have the right to terminate my employment at any time and for any reason not otherwise prohibited by law.

Employee Signature

Date

Name Printed

(Note: This page is to remain in the Employee Handbook.)



Welcome

We are excited to have you as part of our team here at Cat5 Resources, LLC and look forward to the contributions you will bring to the success of our business, and share our commitment to achieving our goals as stated in our mission statement.

It's an exciting time for Cat5 Resources, LLC as we continue to grow, we strive to remain as adaptable, motivated and responsive to our new employees as we are to our customers. We pride ourselves on being the "Calm before, during and after the Storm" for our customers and look forward to you becoming a part of our team!

This employee handbook contains the key policies, goals, benefits, and expectations of Cat5 Resources, LLC, and other information you will need. The purpose of this handbook is to familiarize you with Cat5 Resources, LLC (hereinafter referred to as "Cat5 Resources" or "the Company") and some of its more important current policies. Please read it thoroughly and retain it for future reference. Should you have any questions regarding any policies, please ask the Human Resources Department for assistance. The department where you will work may have additional policies and procedures and you are expected to familiarize yourself with them.

There are several important things to keep in mind about this handbook. First, it contains only general information and guidelines. It is not intended to be comprehensive or to address all the possible applications of, or exceptions to, the general policies and procedures described herein. For that reason, if you have any questions concerning eligibility for a particular benefit, or the applicability of a policy or practice to you, you should address your specific questions to your manager, supervisor, or the Human Resources Department.

Neither does this handbook nor any other Cat5 Resources document, confer any contractual right, either expressed or implied, to remain employed by Cat5 Resources. It does not guarantee any fixed terms or conditions of your employment. Your employment is not guaranteed for any specified period of time and may be terminated at will, with or without cause or prior notice, by Cat5 Resources or you.

No representative of Cat5 Resources, with the exception of the CEO, has the authority to enter into any agreement for employment or to make any agreement contrary to the above. Any employment agreement entered into by the CEO shall not be enforceable unless it is in writing and signed by both parties.

Second, the procedures, practices, policies and benefits described herein may be modified or discontinued at any time. We will make every effort to inform you of any changes as they occur.

Third, this handbook and the information within should be treated as strictly confidential. No portion of this handbook should be disclosed to anyone, except the Cat5 Resources employees or others affiliated with the Company whose knowledge of the information is required in the normal course of business.

This guide supersedes all previously distributed handbooks or guides. Cat5 Resources reserves the right to modify any and all of the policies set forth in this employee handbook at any time and for any reason.



Mission Statement

To be our customers' calm before, during and after the storm by preparing for, implementing and following through with customized disaster contingency planning as well as day to day maintenance. For every customer, every day.

History

In 2004 when Charlie devastated Florida, Cindy was called upon by a long time telecom client, Nextel, who found themselves left with no fuel to support their network restoration efforts.

Since that time Cindy and her team have responded to every natural disaster to hit the United States. During the last nine years, the team has weathered company mergers, personnel changes, 3rd party companies assigned to handle vendors and has continued to deliver exceptional customer service and retain and grow the company's business. An example of such a relationship is the changes that have occurred with Nextel/Sprint. Nextel merged with Nextel Partners and then later became Sprint. Eventually Sprint signed a contract with Ericsson to manage supply chain services and vendors. Cindy and her team have serviced these companies throughout these changes without fail. The team has successfully grown the business with the top 4 wireless carriers, equipment rental and restoration companies.

Cindy made a strategic decision to partner with Ed McLaughlin of S&D Transfer, an agent of Specialized Transportation, Inc. ("S&D") to execute an aggressive growth plan. The team responded to Hurricane Irene in September 2011 with a driver resource base of 50-60 drivers. In 2012, the team responded to the Land Derecho in partnership with S&D increasing the driver count to 85-90, Hurricane Isaac with a driver count of 150, and Hurricane Sandy with over 300 deployed personnel activated.

Notice to Employees

In drafting this Employee Handbook, we have avoided the use of specific gender pronouns wherever possible. However, where such avoidance would have led to very awkward sentences, we have used the masculine pronoun. This use should be considered to refer to both genders.

Change in Policy

This handbook and policies within it are subject to change at the sole discretion of Cat5 Resources management. Should there be any changes, we will notify you of them and their effective dates by appropriate means. No supervisor or manager has any authority to alter the foregoing.



EMPLOYMENT POLICIES

EQUAL EMPLOYMENT OPPORTUNITY POLICY

Cat5 Resources provides equal employment opportunities to all employees and applicants without regard to age, race, color, religious creed, gender (including sex stereotyping), national origin, citizenship status, pregnancy, disability, uniform service member status, medical condition (including, but not limited to, cancer related or HIV/AIDS related) or any other characteristics in accordance with applicable federal, state and local laws. In addition, Cat5 Resources complies with applicable state and local laws governing nondiscrimination in employment in every location in which the company has facilities. This policy applies to all terms and conditions of employment, including, but not limited to, recruitment, employment, placement, training, promotion, termination, layoff, recall, transfers, leave of absence, compensation, employee benefits and application of policies.

The policies and principles of equal employment opportunity also apply to the selection and treatment of independent contractors, personnel working on our premises who are employed by temporary agencies and any other persons or firms doing business for the Company.

Violation of this policy will not be tolerated, regardless of whether or not an actual law has been violated. Cat5 Resources will investigate every issue that is brought to its attention in this area and will take appropriate disciplinary action, up to and including termination of employment.

An employee with questions or concerns about equal employment opportunities in the workplace are encouraged to bring these issues to the attention of the Human Resources Department. Cat5 Resources prohibits retaliation against individuals who raise issues of equal employment opportunity. To ensure our workplace is free of artificial barriers, violation of this policy will lead to discipline, up to and including termination of employment.

AMERICANS WITH DISABILITIES ACT (ADA)

The Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA) requires an employer to provide reasonable accommodations for individuals with disabilities, unless it would cause undue hardship. A reasonable accommodation is any change in the work environment or in the way a job is performed that enables a person with a disability to enjoy equal employment opportunities.

If you require an accommodation you must inform your supervisor that there is a need for an adjustment or change at work for a reason related to a medical condition. We will respond promptly and to the best of our ability to accommodate the needs of all employees.

Cat5 Resources is ensuring equal opportunity in employment for qualified persons with disabilities. All employment practices and activities are conducted on a non-discriminatory basis.

Hiring procedures have been reviewed and provide persons with disabilities meaningful employment opportunities. Upon request, job applications are available in alternative, accessible formats, as is assistance in completing the application. Pre-employment inquiries are made only regarding an applicant's ability to perform the duties of the position.



Reasonable accommodation is available to all disabled employees, where their disability affects the performance of essential job functions. All employment decisions are based on the merits of the situation in accordance with defined criteria, not the disability of the individual.

Qualified individuals with disabilities are entitled to equal pay and other forms of compensation (or changes in compensation) as well as in job assignments, classifications, organizational structures, position descriptions, lines of progression, and seniority lists. Leave of all types will be available to all employees on an equal basis.

The company is also committed to not discriminating against any qualified employees or applicants because they are related to, or associated with, a person with a disability. Cat5 Resources will follow any provincial or local law that provides individuals with disabilities greater protections.

All employees are required to comply with safety standards. Applicants who pose a direct threat to the health or safety of other individuals in the workplace, and such threat cannot be eliminated by reasonable accommodation, will not be hired. Current employees who pose a direct threat to the health or safety of the other individuals in the workplace will be placed on appropriate leave until an organizational decision has been made in regard to the employee's immediate employment situation.

The Human Resources Department is responsible for implementing this policy, including resolution of reasonable accommodation, safety, and undue hardship issues.

This policy is neither exhaustive, nor inclusive. This organization is committed to taking all other actions necessary to ensure equal employment opportunity for persons with disabilities in accordance with all applicable federal, provincial, and local laws.

RELIGIOUS ACCOMMODATION

Cat5 Resources will endeavor to accommodate the sincere religious beliefs of its employees to the extent such accommodation does not pose an undue hardship on the Company's operations. If you wish to request such an accommodation, please speak to the Human Resources Department.

CLASSIFICATIONS OF EMPLOYMENT

Employees at Cat5 Resources are classified by use of various methods. Some methods define employee status in terms defined by law. Other methods classify employees according to job responsibility. By law, Cat5 Resources employees are covered by the provisions of the Fair Labor Standards Act (FLSA). There are two categories of employees for purposes of the FLSA overtime provisions: exempt and non-exempt employees. Exempt employees do not receive overtime pay. Non-exempt employees are paid overtime for any hours worked in excess of forty (40) in a given workweek. Non-exempt employees must be paid overtime at one and one-half (1 ½) times their hourly rate. You will be informed of your classification status upon hire, and informed of any subsequent changes to your classifications. Employees in both groups are classified by their ongoing work routines and specific job duties and responsibilities.



- **Full-time Regular Employees** – are generally scheduled to work a 40-hour week. Generally, they are eligible for the full benefits package, subject to the terms, conditions and limitations of each benefit program.
- **Part-time Regular Employees** – are scheduled to work fewer than 30 hours per week on a regular basis. Such employees may be "exempt" or "non-exempt" as defined below. These employees are not eligible for company benefits except those mandated by law.
- **Temporary/Seasonal Employees** – both full-time and part-time, employees who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of special projects and who are temporarily scheduled to work. Employment beyond stated period does not in any way imply a change in employment. Due to seasonal storms, Employees may be hired to be engaged to work full time or part time on Cat5 Resources' payroll with the understanding that their employment will be terminated no later than upon completion of a specific assignment. (Note that a temporary employee may be offered, and may accept, a new temporary assignment with Cat5 Resources and thus still retain temporary status.) Such employees may be "exempt" or "non-exempt" as defined below. These employees are not eligible for company benefits except where mandated by law. (Note that employees hired from temporary employment agencies for specific assignments are employees of the respective agency and not of the company.)

In addition, generally, employees will be classified as Exempt and Non-Exempt.

- **Definition of Non-exempt Employees** -- Employees who are required to be paid minimum wage and overtime at the federal or state prescribed wage rate, whichever is higher.
- **Definition of Exempt Employees** -- Employees who are not required to be paid minimum wage and overtime, in accordance with applicable federal wage and hour laws, for work performed beyond forty hours in a workweek. Executives, professional employees, outside sales representatives, certain computer programmers and employees in some administrative positions are typically exempt.

AT-WILL EMPLOYMENT

Cat5 Resources employees are employed at-will and are subject to termination at any time, for any reason, with or without cause or notice. At the same time, an employee may terminate their employment at any time and for any reason, with or without cause or notice.

No Cat5 Resources representative is authorized to modify this policy or to enter into any agreement, oral or written, that changes the at-will relationship. Cat5 Resources personnel should not make any representation to employees or applicants concerning the terms or conditions of employment with the Company that are not consistent with the Company's policies and procedures. No statements made in pre-hire interviews or discussions, or in the recruiting materials of any kind, alter the at-will nature of employment or imply that discharge will occur only "for cause".

This policy may not be modified by any statements contained in the Handbook or any other employment applications, documents or other materials provided to applicants and employees in connection with their employment. None of these documents whether singly or combined, create



express or implied contract of employment for a definite period or an express or implied contract concerning any terms or conditions of employment.

EMPLOYMENT APPLICATIONS

We rely upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person has been hired, termination of employment.

ORIENTATION/GET AQUAINTED PERIOD

All new employees go through an orientation period of adjustment in order to learn about Cat5 Resources and their job. During this time you will have an opportunity to find out if you are suited to your new position. Additionally, the orientation period gives your supervisor a reasonable period of time to evaluate your performance. The orientation period is 60 days from date of hire. During this time, new employees will be provided with training and guidance from their supervisors. Any new employee may be discharged at any time during this period if the supervisor concludes that he/she is not progressing or performing satisfactorily. Under appropriate circumstances, the orientation employment may be extended. Completion of the orientation period does not change the employee's status as an at-will employee or in any way restrict the Company's right to terminate the employee at any time, for any reason, with or without cause or notice, or to change the terms and conditions of employment. Furthermore, completion of the orientation period will not result in any changes of compensation.

Employees who are promoted or transferred within Cat5 Resources must complete a secondary introductory period of the same length with each reassignment to a new position. Any significant absence during the introductory period will automatically extend an introductory period by the length of the absence. If it is determined that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance the introductory period may be extended for a specified period.

OUTSIDE EMPLOYMENT

Employees may hold outside employment so long as they meet the performance standards of their job with the company. All employees will be judged by the same performance standards and will be subject to scheduling demands, regardless of any existing outside work requirements.

If it is determined that an employee's outside work conflicts or interferes with performance, safety or the ability to meet the requirements of Cat5 Resources as they are modified from time to time, the employee may be asked to terminate the outside employment if he desires to remain with the company.

Outside employment that constitutes a conflict of interest is prohibited. Employees also may not receive any income or material gain from individuals outside the company for materials produced or services rendered while performing their jobs with Cat5 Resources.



Any other work outside of Cat5 Resources cannot be performed on Cat5 time nor be in competition with Cat5 Resources.

JOB POSTING AND EMPLOYEE REFERRALS

The company provides employees an opportunity to indicate their interests in open positions and advance within the organization according to their skills and experience. In general, notices of all regular, full- time, job openings are posted on Cat5 Resources' website, although we reserve our discretionary right to not post a particular opening.

To be eligible to apply for a posted job, employees must have performed competently for at least sixty (60) calendar days in their current position. Employees who have a written warning on file, or are on probation or suspension, are not eligible to apply for posted jobs. Eligible employees can only apply for those posted jobs for which they possess the required skills, competencies, and qualifications. To apply for an open position, employees should submit a resume, listing job-related skills and accomplishments. It should also describe how their current experience with the company and prior work experience and/or education qualifies them for the position.

As an employer, we recognize the benefit of developmental experiences and encourages employees to speak with their supervisors about their career plans. Supervisors are encouraged to support employees' efforts to gain experience and advance within the organization.

An applicant's supervisor may be contacted to verify performance, skills, and attendance. Any staffing limitations or other circumstances that might affect a prospective transfer may also be discussed.

Job posting is a way to inform employees of openings and to identify qualified and interested applicants who might not otherwise be known to the hiring manager. Other recruiting sources may also be used to fill open positions in the best interest of the organization.

The management team also encourages employees to identify friends or acquaintances that are interested in employment opportunities and refer qualified outside applicants for posted jobs. Employees should obtain permission from the individual before making a referral, share their knowledge of the organization, and not make commitments or oral promises of employment. An employee should submit the referral's resume and/or completed application form for a posted job.

JOB DESCRIPTIONS

Our company makes every effort to create and maintain accurate job descriptions for all positions within the organization. Each description includes information to identify the title, payroll related data, supervisory responsibility, what title the position reports to, a position summary, job qualifications, essential job functions, additional duties, physical requirements, and working conditions. These descriptions are maintained to aid in orienting employees to their new position, identifying the requirements of each job, establishing hiring criteria, setting standards for employee performance, and establishing a basis for making reasonable accommodations for individuals with disabilities.



Job descriptions are created when the need for a new position is identified. Periodically, a job description may be re-written to reflect any changes in the essential job functions, other responsibilities, or qualifications. All employees are expected to be aware of the requirements of their job description and that their work is accurately reflected.

Job descriptions do not necessarily cover every task that may be assigned to an employee and that additional responsibility may be added as necessary. Employees should communicate questions or concerns regarding their job description to their supervisor.

JOB PERFORMANCE EVALUATIONS

Excellent job performance is essential for your success and the success of the Company. Excellent performance results from managers, supervisors and employees closely working together to define the job, plan individual work, communicate progress, assess performance, consider appropriate rewards and plan career development activities.

It is important for you to have a clear understanding with your manager or supervisor about the work you are expected to do and how your work will be evaluated. It is the joint responsibility of you and your manager to plan your work projects or daily work routines. The following tools will help you with your planning.

- Set formal or informal goals and objectives
- Use staff meetings to clarify job expectations
- Review performance on a regular basis

A big part of your manager or supervisor's job is to provide support and monitor your work progress. When you need assistance-whether it be more resources, clear direction or removing a barrier-your manager or supervisor is there to help.

While you are doing your job, you should ask your manager or supervisor for information about how you are doing. If you are not getting enough information or your task isn't clear to you, ask for further direction.

Full-time employees are generally reviewed upon completion of their 60-day orientation period. Thereafter, performance evaluations are conducted quarterly. This provides both you and your supervisor with the opportunity to discuss your job tasks, identify and correct weaknesses, encourage and recognize strengths, and discuss methods for improving your performance. However, please understand that a positive performance evaluation does not guarantee an increase in wage/salary, a promotion or even continued employment. Compensation increases and the terms and conditions of employment, including job assignments, transfers, promotions and demotions are determined by and at the discretion of Cat5 Resources.

During a formal performance review your supervisor may cover the following areas:

- The quality and quantity of your work
- Strengths and areas for improvement
- Attitude and willingness to work



- Initiative and teamwork
- Attendance
- Customer service orientation
- Problem solving skills
- Ongoing professional growth and development

Your performance review is a welcome opportunity to discuss your interests and future goals for the company. Management is interested in helping you to progress and grow in order to achieve personal as well as work-related goals. The performance review gives Management an opportunity to suggest ways for you to advance and make your job more fulfilling.

ASSIGNMENT CHANGES

Each employee is assigned to a department/area. However, the demands of that department and/or other departments may necessitate temporary reassignments. Employees are expected to assist in another department/area when requested by the employee's supervisor(s). Failure to comply with this policy will result in disciplinary action, up to and including termination.

Cat5 Resources encourages employees to develop their careers within the organization. Once a vacancy is established, you may apply for the job provided you are qualified for such advancement.

In making advancement to a new position, the demonstrated ability and overall qualifications of the applicant will be considered. The final decision on applicants will be based upon the overall qualification of the applicant and the recommendation of the applicant's on-site department manager.

An employee can also be demoted at the discretion of their manager when the employee is unable to perform the duties listed in his/her Job Description effectively.

In selected cases, demotion can also be an alternative to termination as a means of disciplinary action. If the on-site manager offers demotion to an employee as an alternative to termination and the employee rejects the demotion, termination of employment is automatic.

PERSONNEL FILES

Cat5 Resources keeps certain records relating to your employment in a personnel file. The documents contained within that file are the property of Cat5 Resources and must be maintained for government and the Company's record-keeping purposes. Representatives of government or law enforcement agencies, in the course of their business, may be allowed to access the file information. This decision will be made at the discretion of the Human Resources Department in response to the request, a legal subpoena, or court order. Some employment records are kept in separate files, such as records relating to medical conditions and leave, investigations, and I-9 requirements. All files connected with an employee are considered strictly confidential, and access will be limited only to those who have job-related need to know the information and who have been authorized to see the file in question. If an employee wishes to view the contents of his/her personnel file, the employee must contact the Human Resources Department. You may not take or alter any document found within your personnel file. If you disagree with any of the documents you may ask the Human Resources Department for



permission to add a document containing your comments regarding the document with which you disagree.

EMPLOYMENT RECORDS

In order to obtain your position, you provided us with personal information, such as your address and telephone number, number of eligible dependents, W-4 deductions, and emergency contacts. This information is contained in your personnel file. Please keep your personnel file up to date by informing the Human Resources Department of any changes. Also, please inform the Human Resources Department of any specialized training or skills you may acquire in the future. Unreported changes of address, marital status, and so forth, can affect your withholding tax and benefit coverage. Further, any out of date emergency contact or an inability to reach you in a crisis could cause a severe health, safety risk, or other significant problem.

BACKGROUND CHECKS AND INVESTIGATIONS

It is Cat5 Resources policy to conduct thorough background investigations on all new hires. Cat5 Resources will comply with all requirements of the Fair Credit Reporting Act (as amended) during the background check and verification process

NEW HIRE REQUIREMENTS

All offers of employment by Cat5 Resources are contingent upon satisfactory background verification, drug screening, and proof of eligibility and authorization to work in the United States.

Each new employee and current employees hired are required to show proof of identity and employment eligibility within three business days of hiring. Failure to do so may result in leave without pay until the appropriate documentation is provided. If the documents have been lost the employee has three business days to show a receipt for submission of an application for replacement of the documents. The employee then has 60-days to present the required documents. Failure to present the necessary documents within 60-days will result in immediate termination. A form I-9 must be completed and maintained on each employee.

GENERAL RULES

All Cat5 Resources employees are expected to treat managers, supervisors, fellow employees, clients, customers and the public in a professional manner; that is; with respect, integrity, courtesy, and a cooperative attitude. More specifically, as an employee you must:

- Truthfully respond to all job-related inquiries, and be honest in your business relationships
- Truthfully respond and cooperate in any and all Company investigations
- Follow the directions of your manager or supervisor as well as the Company's management
- Comply with the Company's policies concerning workplace and sexual harassment, discrimination and retaliation
- Comply with the Company's ethics and company policies
- Present a neat, well-groomed, professional appearance
- Report regularly to work at your scheduled starting time and put in a full day's work, including overtime if necessary
- Promptly and timely alert your manager, supervisor or the Human Resources Department if you must be absent



SEPARATION FROM EMPLOYMENT

Any company property issued to you, such as software, computer equipment, databases, files, pager, keys, parking passes or company credit card must be returned at the time of your termination. You may be responsible for any lost or damaged items. Any such situation will result in the charges being deducted from the employee's final paycheck. If the employee does not have the property with them at the time of their termination, arrangements must be made for returning the property prior to leaving the company on their last day of employment. Any outstanding property, loans, advances, or travel advances will be deducted from the final pay check upon termination in accordance with the Wage Deduction Authorization Agreement that you will be required to sign and is located at the back of this handbook.

Employees who have been terminated from employment for any reason will be asked not to return to company property or job sites without an appointment. Former employees who do return without an appointment may be considered trespassing. Trespassers may be referred to law enforcement agencies for removal and/or prosecution.

Resignation

Resignation is a voluntary act initiated by the Employee to end their employment. The organization requests at least two weeks written notice prior to resignation. The letter should include the last day of work, a forwarding address, a signature and date. PTO time cannot be used during the resignation period. An exit interview is generally scheduled on the last day.

If an Employee does not provide advance notice as requested, the Employee will be considered ineligible for rehire.

Involuntary Termination

While the decision to commence employment is consensual, the same is not always true when the time comes to terminate the employment relationship. As an at-will employer, the Company reserves the right to end the employment relationship at any time, with or without cause. In the event your employment is terminated, you must return all property owned by Cat5 Resources prior to your departure. Supervisors should contact Human Resources at the time of resignation for instructions regarding the surrender of company property.

Layoff Due to Lack of Work

Cat5 Resources attempts to maintain a stable work force; however, business conditions sometimes change to a point that there is not enough work to keep all employees on the payroll. Should such a situation occur, the work force may be reduced through a layoff of the number of employees over and above those needed to perform the remaining work. Layoffs will be determined by the ability of the affected employees to adequately perform the available work with a minimum of retraining.

Exit Interviews

Management may conduct an exit interview to discuss your reasons for leaving and any other impressions that you may have about the company. During the exit interview, you can provide insights into areas for improvement for the company and your specific position.



COBRA

On April 7, 1985, a Federal law was enacted (Public Law 99-272, Title X) requiring that most employers sponsoring a group health insurance plan offer covered personnel and covered dependents the opportunity for a temporary extension of insurance coverage (called “COBRA continuation coverage”) at the current group rates in certain instances where coverage under the plan would otherwise end. This notice is intended to inform you, in a summary fashion, of your rights and obligations under the COBRA continuation coverage provisions of the law as updated. This memorandum is a summary only and is qualified in its entirety by the provisions of COBRA. (All covered personnel and covered dependents should take the time to read this notice carefully.)

If you are an employee of Cat5 Resources and covered by the Company’s group health insurance plan, you have the right to choose COBRA continuation of coverage if you lose your coverage because of reduction in your hours of employment or the termination of your employment (for reasons other than gross misconduct on your part).

If you are the spouse of an employee and are covered by the Company’s group insurance plan, you have the right to choose COBRA continuation of coverage for yourself if you lose coverage for any of the following reasons:

- The death of your spouse
- A termination of your spouse’s employment (for reasons other than gross misconduct) or reduction in your spouse’s hours of employment
- Divorce or legal separation from your spouse
- Your spouse’s employer files Chapter 11

In the case of a dependent child of an employee covered by the Company’s group health insurance plan, he or she has the right to choose COBRA continuation coverage if coverage is lost for any of the following reasons:

- The death of a parent
- The termination of a parent’s employment (for reasons other than gross misconduct) or reduction in a parent’s hours of employment with the Company
- Parent’s divorce or legal separation
- A parent becomes entitled to Medicare
- The dependent ceases to be a “dependent child” as defined under the Company’s group insurance plan
- The parents employer files Chapter 11

Under the law, an employee or a family member who is covered by the plan has the responsibility to inform the Human Resources Department of a divorce, legal separation, or a child losing dependent status under the group insurance plans. You would lose coverage because of one of those events, or if the employee’s death, termination of employment, reduction in hours or eligibility for Medicare.

You have sixty (60) days from the date coverage ceases to elect enrollment. Cat5 Resources will in turn notify you that you have the right to choose COBRA continuation coverage. If you do not choose COBRA



continuation coverage by returning the Enrollment Form to Cat5 Resources COBRA administrator, your group insurance will end.

If you choose COBRA continuation coverage, the Company is required to give you coverage which, as of the time coverage is being provided, is identical to the coverage provided under the plan to similarly situated employees or family members. The law requires that you be afforded the opportunity to maintain COBRA continuation of coverage for three (3) years unless you lost your group coverage because of termination of employment or reduction in hours. Under those circumstances, the required COBRA continuation coverage period is eighteen (18) months. You do not have to show that you are insurable to choose COBRA continuation coverage. Under the law, you will have to pay the premium plus 2% for administrative costs for your COBRA continuation coverage.

In addition, the employee or family member must notify Cat5 Resources of the birth or placement for adoption of a child with an individual receiving COBRA continuation coverage. The child born or placed for adoption with an individual receiving COBRA continuation coverage is also eligible for coverage. Upon notification, the new parent who is currently a qualified beneficiary may change status from individual coverage to family coverage in order to add the new child.

For a person who had COBRA coverage because of the termination of employment or reduction of hours of an employee and who is disabled, as defined under the Social Security Act, on the date of the qualifying event, or within the first sixty (60) days of Cobra coverage, the eighteen (18) month period is extended to twenty-nine (29) months. However, this coverage period will only be extended if that person notified Cat5 Resources COBRA administrator, of such disability within sixty (60) days after the Social Security disability determination and before the end of the eighteen (18) month period. In addition, if an employee incurs a termination of employment or a reduction in hours less than eighteen (18) months after the employee became entitled to Medicare, then the COBRA coverage period for the employee's spouse and dependent children (but not the employee) will be for the period ending thirty six (36) months after the date the employee became entitled to Medicare.

The law provides that your COBRA continuation coverage may cease for any of the following reasons:

- The Company no longer provides group coverage to any of its personnel
- The premium for your COBRA continuation coverage is not paid within the period allowed under the COBRA regulations
- You become covered under another group plan which does not contain any exclusions or limitations with respect to any pre-existing condition (taking into account creditable coverage)
- You become entitled to Medicare

The law also states that, at the end of the applicable COBRA continuation coverage period, you must be allowed to enroll in an individual conversion plan provided by the Company's insurance carrier.

If you have questions regarding your rights for continuation of your health insurance you may contact the insurance carrier. If you have additional questions you may contact the Texas Department of Insurance, toll-free, at (800) 252-3439.



An insured person whose COBRA continuation coverage is about to terminate, has the option of electing either an individual policy or additional COBRA continuation coverage as outlined below. The options available are as follows:

Option 1 An individual policy chosen by the insured person or dependent

Option 2 Extension of or additional continuation of COBRA coverage under the Company's group policy

You must have been covered under the group policy for at least three (3) months to be eligible for this option. To elect this option, contact Cat5 Resources COBRA administrator within thirty-one (31) days after the expiration of regular COBRA coverage. If this option is selected, continuation will be permitted for a maximum of six (6) months. The premium rate will be the same as the COBRA rate. The premium will be payable in advance to Cat5 Resources COBRA administrator on a monthly basis, as are the regular COBRA payments.

Additional COBRA continuation coverage may not terminate until the earliest of:

- Six (6) months after the date the election is made
- The date you fail to make timely premium payments
- The date on which you are or could be covered by Medicare
- The date on which you are covered for similar benefits under another group or individual policy
- The date on which you are eligible for similar benefits under another group plan
- The date on which similar benefits are provided for or available to you under any state or federal law

If your coverage under the group policy is terminated as the result of an employee's death, retirement or divorce, your additional COBRA continuation coverage can continue up to thirty-six (36) months. You must have been covered under the group policy for at least one year. However, this requirement does not apply to infants under one year of age. Additional COBRA continuation coverage does not require evidence of insurability.

YOUR RIGHTS UNDER HIPAA

Health Insurance Portability and Accountability Act of 1996 ("HIPAA") requirements apply to most health plans maintained by employers and to insurers and HMOs that offer health insurance in connection with group health plans. Employers that sponsor group plans cannot deny an employee access to the plan on the basis of "health-related factors" "in relationship to the employee or his/her dependents."

Cat5 Resources will abide by all requirements applicable as outlined by HIPAA. The specific factors which cannot be used to determine eligibility include:

- Health status
- Medical condition, including both physical and mental illness
- Claims experience
- Receipt of healthcare
- Medical care



- Genetic information
- Disability
- Evidence of insurability

EMPLOYMENT REFERENCES

The company does not respond to oral requests for references, nor does it provide letters of reference. As an employee, do not under any circumstance, respond to any requests for information regarding another employee unless it is a part of your assigned job responsibilities. If it is not, please forward the information request to Human Resources.

All employment verification or reference requests on current or former employees are to be referred to Human Resources. Company will normally only release last title and dates of employment. All other requests for information on current or former employees also are to be referred to HR, who will consider and respond to the request.

Requests for employment verification for credit or mortgage purposes should also be referred to Human Resources.



EMPLOYEE CONDUCT

BUSINESS ETHICS AND CONDUCT

The successful business operations and reputations of the organization are built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as scrupulous regard for the highest standards of conduct and personal integrity.

The continued successes of Cat5 Resources are dependent upon our clients' trust, and we are dedicated to preserving that trust. Employees owe a duty to this business, its clients, and shareholders to act in a way that will merit the continued trust and confidence of the public.

Cat5 Resources will comply with all applicable laws and regulations and expect its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with your immediate supervisor.

Compliance with this policy of business ethics and conduct is the responsibility of every employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including termination of employment.

The objectives of Cat5 Resources are to engage efficiently, responsibly, and profitably in our business. The Company seeks a high standard of performance and aims to maintain a long-term position in their respective competitive environments. Cat5 Resources recognizes five (5) areas of responsibility

Customers – To win and maintain customers by developing and providing products and services which offer value in terms of price, quality, safety, and environmental impact, which are supported by requisite technological, environmental, and commercial expertise.

Employees – To respect the human rights of our employees, to provide our employees with good and safe conditions of work, a good and competitive terms and conditions of service, to promote the development and best use of human talent and equal opportunity employment, and to encourage the involvement of employees in the planning and direction of their work, and in the application of these principles within our Company. It is recognized that commercial success depends on the full commitment of all employees.

Each other – The Company believes that each employee is important and respect for one another is paramount to our success. Professional behavior both on the job and away from work reflects well on the Company and its employees. How we treat each other indicates our commitment to the Company and its success



Those with whom we do business – To seek mutually beneficial relationships with contractors, suppliers, and in joint ventures, and to promote the application of these principles in so doing. The ability to promote these principles effectively will be an important factor in the decision to enter into or remain in such relationships.

Society – To conduct business as responsible corporate members of society, to observe the laws of the countries in which we operate, to express support for fundamental human rights in line with the legitimate role of business and to give proper regard to health, safety, and the environment consistent with our commitment to contribute to sustainable development.

These five (5) areas of responsibility are seen as inseparable. Therefore, it is the duty of management to continuously assess the priorities and discharge its responsibilities as best it can on the basis of that assessment.

ECONOMIC PRINCIPLES

Profitability is essential to discharging these responsibilities and staying in business. It is a measure both of efficiency and of the value that customers place on our products and services. It is essential to the allocation of the necessary corporate resources and to support the continuing investment required to develop and meet customer needs. Without profits and a strong financial foundation, it would not be possible to fulfill the responsibilities outlined above.

POLITICAL ACTIVITIES

Company – Cat5 Resources acts in a socially responsible manner within the laws of the states and countries in which they operate in pursuit of their legitimate commercial objectives.

The Company does not make payments to political parties, organizations or their representatives or take any part in party politics. However, when dealing with governments, Cat5 Resources has the right and responsibility to make their position known on a matter which affects themselves, their employees, their customers, or their shareholders. They also have the right to make their position known on matters affecting the community in which they have a contribution to make.

Employees – Where individuals wish to engage in activities in the community, including standing for election to public office, they will be given the opportunity to do so where this is appropriate in the light of local circumstances.

THE COMMUNITY

The most important contribution that companies can make to the social and material progress of the states and countries in which they operate is in performing their basic activities as effectively as possible. In addition, Cat5 Resources takes a constructive interest in societal matters which may not be directly related to business.

Opportunities for involvement – for example, through community, educational, or donations programs – will vary depending upon the size of the location concerned, the nature of the local society, and the scope of useful private initiatives.



COMPETITION

Cat5 Resources promotes free enterprise. The Company seeks to compete fairly and ethically and within the framework of applicable competition laws; we will not prevent others from competing freely with them.

COMMUNICATION

Cat5 Resources recognizes that in view of the importance of the activities in which they are engaged and their impact on economies and individuals, open communication is essential.

Cat5 Resources has comprehensive corporate information programs and provides full relevant information about their activities to legitimately interested parties, subject to any overriding considerations of business confidentiality.

Because the foregoing areas of responsibility are considered inseparable it is the duty of management to continuously assess priorities and to discharge responsibilities based on that assessment.

GENERAL OBLIGATIONS

The Company requires and will reward honest, highly capable employees who pursue the Company's best interest diligently, seeking always to act ethically and to comply with all applicable laws. No decision which knowingly results in a violation of law on the part of Cat5 Resources or any of its affiliates can ever be justified as being in the Company's or any such affiliate's best interest. Ethical conduct consistent with the expectations of the communities in which we operate is equally essential to the Company's long-term success. No other standard of conduct is acceptable and each employee's performance and opportunities will be measured against all of the components of Company standards. The requirements and standards set forth above constitute the Business Ethics and Conduct Policy for Cat5 Resources and all affiliates.

Remember: within the course and scope of your employment, compliance with Business Ethics and Conduct Policy is your job. Do what is right and let others around you know you expect the same of them.

The obligations of an employee can be simply stated in broad terms: Employees are expected to obey the law and to carry out all lawful and reasonable instructions given by the Company through its agents and not to act in any way which is inconsistent with the proper competent performance of their duties. Employees must not act in any way which could jeopardize their own safety, cause danger to other employees, or imperil Company property. All rules, regulations, procedures, orders, and standing instructions are to be observed. Every employee has a responsibility to know which Company policies apply to his/her job performance and to be familiar with all relevant policies, and to conduct his/her job in strict compliance with such policies.

The perception of integrity and good character, corporate as well as individual, can be as important as the reality. A reputation for fair, honest, legal and ethical conduct is an essential business asset. Do not act in a manner to jeopardize this asset.



The remainder of this policy contains greater detail concerning our obligations under this policy, how you can carry out these obligations, and the discipline for failure to meet these obligations.

What are your legal and ethical obligations under the Business Ethics and Conduct Policy? Simply stated, all employees should:

- Comply fully with all applicable laws
- Foster an affirmative attitude concerning compliance with the law among those reporting to you and among your colleagues
- Demand and exhibit conduct consistent with the expectations of the communities in which we operate and do everything necessary to maintain a reputation for fair, honest, and ethical conduct
- Report any violation of this policy or any threat to human health, safety, the environment, or Company assets that you have a good faith reason to believe has occurred or exists to management or Human Resources
- Seek clarification and advice whenever a question arises concerning compliance with this policy

COMPANY COMPLIANCE POLICIES

The Company's Compliance Policies covering the matters discussed below are recorded in this document and are generally applicable to all employees. Other policies are adapted specifically to certain work areas or to employees dealing in the areas covered by the policy. It is the responsibility of every employee to know what policies apply to his/her job performance, to be familiar with all relevant policies, and to conduct his/her job in strict compliance with such policies.

Because written policies and training programs cannot anticipate every possible factual situation, each employee has an obligation to seek clarification and advice whenever a question concerning compliance with the Business Ethics and Conduct Policy arises.

Compliance with the Law

- **Antitrust Laws** – The Company intends to conduct operations in strict compliance with all applicable antitrust laws. The antitrust laws generally prohibit business activities which constitute unreasonable restraints of trade. There are severe criminal and civil penalties, both corporate and individual, for violations of the antitrust laws. Information which will enable you to avoid inadvertent violations including guidelines for discussion of business activities can be obtained from the Compliance Department.
- **Boycott Laws** – Federal law prohibits persons from taking or agreeing to take certain actions in connection with any unsanctioned foreign boycott directed against any country friendly to the United States.
- **Conflicts of Interest** – Employees have a duty to avoid situations that might be adverse to the Company's interest, resulting in conflicting loyalties or interests. The Company's Conflict of Interest policy includes discussion of prohibited involvement with suppliers, contractors, competitors, or customers, prohibited gifts and entertainment, prohibited use of Company information, and prohibited transactions.
- **Drug and Alcohol Abuse** – The Company strives to provide employees with a workplace free from substance abuse (i.e. the illegal or illicit use of drugs and the abuse of alcohol), and a



workplace where all individuals are able to perform their assigned responsibilities in a safe and productive, manner. The Company's Drug/Alcohol Policy is an extensive program that includes education and substance abuse identification (see Drug and Alcohol Policy).

- Safe Workplace Environment – The Company is fully dedicated to maintaining a workplace free of recognized health and safety hazards. In this regard, the Company had ongoing and comprehensive programs and policies designed to deliver this policy objective and to ensure full compliance with all applicable laws and regulations.
- Equal Opportunity – The Company is fully committed to a workplace that is founded on equal opportunity and is free from discriminatory action. In support of this commitment, the Company's Equal Opportunity and Non-Discrimination and Anti-Harassment policies clearly prohibits discrimination on the basis of race, color, religion, gender, sexual orientation, national origin, age, physical or mental disability, status as a special disabled veteran, or citizenship of individuals legally authorized to work in the United States. Also prohibited is any form of harassment for any of these reasons.
- Political Contribution and Foreign Corrupt Practices Act – The Company had adopted a policy setting forth the standard of conduct to be observed and procedures to be followed in all matters pertaining to political contributions, illegal or questionable payments, and related accounting procedures. The use of corporate funds or assets for any unlawful or improper purpose, including payments to governmental employees or any other person as a commercial bribe, influence payment or kickback, is prohibited. Specifically discussed are matters dealing with entertainment of or gifts to government officials and employees.
- Product Quality and Safety – Federal laws require the reporting of suspect chemical hazards and/or defects in consumer products to the proper authorities. Failure to report can result in substantial civil and criminal penalties for the Company and for individuals aware of the hazard. The Company's safety, health, and environmental procedures should be followed for reporting hazards or defects which would pose substantial risk to human health or the environment.
- Company Assets – The Company has a large variety of assets, including extremely valuable proprietary information and physical assets. Company proprietary information includes intellectual property and the confidential data entrusted to employees in connection with their jobs. Protection of Company assets and third party confidential information properly in the Company's possession is the personal responsibility of each employee.

PROCEDURES FOR OBTAINING GUIDANCE

Each employee is charged with the obligation to understand applicable policies, procedures, and training made available to him or her and to seek clarification from supervisors when necessary. Managers and supervisors have the additional duty to monitor the continuing adequacy of policies, procedures, and training within their areas of responsibilities and compliance with our Business Ethics and Conduct Policy by persons reporting to them. The Department Manager within each area is designated as the "Compliance Officer" for his/her area. All alleged violations of policy must be reported to the local "Compliance Officer". The "Compliance Officer" is obligated to inform his/her immediate manager.

Any employee who feels a need for clarification concerning compliance with any law or ethical matter should consult his/her supervisor, management, or Human Resources. Any question concerning legal compliance which cannot be answered promptly and clearly should be referred to the Compliance



Department. Human Resources, working with the Compliance Department, will seek to explain in a practical and readily understandable manner that which is required of employees in order to comply with the law and with the company's ethical requirements. Calls seeking clarification regarding compliance with the Business Ethics and Conduct Policy may be addressed to Human Resources.

The compliance policies and training, "Compliance Officer" network, and the Business Ethics and Conduct Policy are all aimed at avoiding violations of law and unethical conduct. The Company's long-term success in this area will depend on each employee realizing the Company's sincere commitment to these goals, seeking advice before engaging in conduct that presents legal or ethical questions, and obtaining correct and unambiguous advice.

RULES AND REGULATIONS

In addition to the legal obligations set out above, there are general rules and regulations with which employees must comply. Violation of these rules and regulations will render the employee liable to disciplinary action. Each employee is responsible for understanding and upholding all applicable rules and regulations as well as procedures. If further clarification is necessary, the employee is responsible for seeking that clarification as noted in the above section, "Procedures of Obtaining Guidance".

REPORTING COMPLIANCE ISSUES

If an employee has a good faith reason to believe that any violation of the Business Ethics and Conduct Policy has occurred, he or she is required to report such violation. Additionally, any good faith reason to believe that a threat to human health, safety, the environment, or Company assets has arisen or exists in or as the result of conduct in the workplace must be reported promptly.

Reports should be made by the employee to his/her supervisor or Human Resources thus discharging this obligation. Such parties have the responsibility to see that the appropriate "Compliance Officer" or his/her designee and, when compliance with law issues are raised, the Compliance Department is promptly informed.

Any attempt at retaliation or intimidation against anyone reporting in good faith a suspected violation of the Business Ethics and Conduct Policy or any condition thought to constitute a threat to human health, safety, the environment, or Company assets, is a serious violation of the Business Ethics and Conduct Policy.

Manager's Responsibility: It is the responsibility of all managers receiving notification of an alleged violation to notify their manager or Human Resources.

INVESTIGATION OF SUSPECTED VIOLATIONS OF THE BUSINESS ETHICS AND CONDUCT POLICY

When non-compliance with the Business Ethics and Conduct Policy is reported or otherwise suspected, the reasonable "Compliance Officer", or designee, and the Compliance Department, in the case of an alleged violation of law, will be informed. A prompt investigation will follow. If unlawful conduct is detected and continuing, the Company will make all efforts to stop such conduct immediately.



The Company will cooperate with government agencies investigating such matters. Prompt action shall be taken upon notice of any investigation to preserve documents believed to be relevant. It will be a serious violation of Company policy to conceal an offense or to alter or destroy evidence in any such case.

Discipline

The Company will consistently and appropriately enforce Business Ethics and Conduct Policy as well as all other Company policies. Discipline will be determined by the Human Resources Department or their designee in appropriate cases. Intentional non-compliance will constitute grounds for dismissal or other serious discipline. In appropriate cases, or when required by law, law enforcement officials will be informed of facts discovered by an investigation concerning non-compliance with the law.

ANTI-HARASSMENT POLICY

It is the policy of the Company to maintain a working environment which encourages mutual respect, promotes respectful and congenial relationships between employees, and is free from all forms of harassment of any employee, applicant for employment, or contractor by anyone, including supervisors, co-workers, contractors, vendors, or clients. Harassment in any manner or form is expressly prohibited and will not be tolerated by the Company. Accordingly, Company management is committed to vigorously enforcing this policy against harassment, including but not limited to sexual harassment, at all levels within the Company.

All reported or suspected occurrences of harassment will be promptly and thoroughly investigated. Where harassment is determined to have occurred, Cat5 Resources will immediately take appropriate disciplinary action, including written warnings and possible suspension, transfer and/or termination.

The Company will not permit or condone any acts of retaliation against anyone who files harassment complaints or cooperates in the investigation of the same.

1. The term "harassment" includes but is not limited to: Unwelcome slurs, jokes, verbal, graphic or physical conduct relating to an individual's age, race, color, religious creed, gender (including sex stereotyping), national origin, ancestry, citizenship status, pregnancy, physical disability, mental disability, uniform service member status, marital status, registered domestic partner status, medical condition (including, but not limited to, cancer related or HIV/AIDS related) or sexual orientation in accordance with applicable federal, state and local laws.
2. Sexual harassment consists of unwelcome sexual advances or touching, sexual flirtations, demeaning, insulting or sexually suggestive comments about an individual, verbal harassment of a sexual nature, such as lewd comments, innuendos, sexual jokes or references, offensive personal references, display in the workplace of demeaning, insulting, intimidating, or sexually suggestive objects, pictures, graffiti, cartoons, magazines, calendars, posters or photographs, requests for sexual favors, or other verbal or physical conduct of a sexual nature where:
 - a. Submission to such conduct is an explicit or implicit term or condition of employment.
 - b. Employment decisions are based on an employee's submission to or rejection of such conduct; or,
 - c. Such conduct interferes with an individual's work performance or creates an intimidating, hostile or offensive working environment.



3. The term “harassment” may also include conduct of employees, supervisors, vendors and/or clients who engage in verbally or physically harassing behavior which has the potential for humiliating or embarrassing an employee of Cat5 Resources. This behavior includes persistent disturbances, tormenting actions, incursions, or hostility consistent with rude, inflammatory, or abusive verbal, written or physical attacks.
4. Depending upon the circumstances, improper conduct can also include vulgar or offensive conversations or jokes, commenting about an employee’s physical appearance, conversation about your own or someone else’s sex life, teasing or other conduct directed toward a person because of his/her gender which is sufficiently or persuasive to create an unprofessional and hostile work environment.

Complaint Procedure

Cat5 Resources provides its employees with a convenient and reliable method for reporting incidents of harassment, including sexual harassment. Any employee who feels that they have been or are being harassed or discriminated against, is encouraged to immediately inform the alleged harasser that the behavior is unwelcome. In most instances, the person is unaware that their conduct is offensive and when so advised can easily and willingly correct the conduct so that it does not reoccur. If the informal discussion with the alleged harasser is unsuccessful in remedying the problem or if such an approach is not possible, the employee should immediately report the complained-of conduct to their immediate supervisor, manager, officer of Cat5 Resources, or if necessary for resolution, to the company Human Resources Department. The report should include all facts available to the employee regarding the harassment. To report a complaint, contact your immediate supervisor, or if applicable, Human Resources. The only way resolution can be put into place regarding a harassment issue is if the company is notified. Your manager or supervisor will respond to your problem during your initial discussion or submit an answer to you within seven (7) days. If the manager or supervisor is directly involved, you should talk with your manager or supervisor’s immediate supervisor.

Confidentiality

All reports of harassment will be treated seriously. However, absolute confidentiality is not promised nor can it be assured. The Company will conduct an investigation of any complaint that will require limited disclosure of pertinent information to certain parties, including the alleged harasser.

Investigative Procedure

Once a complaint is received, the Company will begin a prompt and thorough investigation. The investigation may include interviews with all involved employees, including the alleged harasser, and any employees who are aware of facts or incidents alleged to have occurred.

Once the investigation is completed, a determination will be made regarding the validity of the harassment allegations. If it is determined that harassment has occurred, prompt, remedial action will be taken. This may include some or all of the following steps:

1. Restore any lost terms, conditions or benefits of employment to the complaining employee.
2. Discipline the harasser. This discipline can include written disciplinary warnings, transfer, demotion, or termination.



If the harassment is from a contractor, vendor, or client, Cat5 Resources will take appropriate action to stop the complained-of conduct.

Cat5 Resources prohibits retaliation of any kind against any individual who reports discrimination, harassment, other inappropriate, unprofessional or unethical conduct, or who participates in an investigation of such reports. Retaliation against an individual for reporting harassment, discrimination, or other inappropriate, unprofessional or unethical conduct, or for participating in an investigation of a claim of harassment, discrimination or other inappropriate, unprofessional or unethical conduct is a serious violation of this policy and, like harassment, discrimination or other inappropriate, unprofessional or unethical conduct itself, will be subject to disciplinary action, up to and including termination.

Duties of Employees and Supervisors

All employees of Cat5 Resources, both management and non-management, are responsible for assuring that the workplace is free of harassment. Any employee may file a harassment complaint regarding incidents experienced personally or incidents observed in the workplace. The Company strives to maintain a lawful, pleasant work environment where all employees are able to effectively perform their work without interference of any type and requests the assistance of all employees in this effort.

All company supervisors and managers are expected to adhere to Cat5 Resources' anti-harassment policy. Supervisors' evaluations will include an assessment of the supervisor's efforts in following and enforcing this policy.

All managers and supervisors are responsible for doing all they can to prevent and discourage harassment from occurring. If a complaint is raised, supervisors and managers are to act promptly to notify the company Human Resource Department of the complaint so that they may proceed with an investigation. If a supervisor or manager fails to follow this policy they will be disciplined. Such discipline may include termination.

GOSSIP AND MALIGN ACTIONS

It is the policy of our company that employees should only address matters of concern with the person(s) whom can do something to remedy the problem. There is a common misconception that, "It's not gossip if it's true." If an employee spreads information without properly addressing the situation with the parties involved, or without the intent to assist in resolution, it is indeed gossip. If the conduct has a negative impact on the organization, the employee has chosen to participate in gossip or malign behaviors that are in violation of this policy and this behavior will not be tolerated by Cat5 Resources. It is necessary that all employees make a commitment to support our gossip free culture.

Negative effects of gossip or malign behaviors:

- Whether malicious in intent or not, acting on hearsay is an activity that can drain, distract, and downshift employee job satisfaction.
- It breaks down the cohesive team effort needed to serve our clients and results in lost production toward meeting company objectives and goals.
- There can be a negative impact on company finances through time spent in the activity.



Examples of gossip or malign behaviors may include:

- Involvement in discussion which involves the release of confidential information regarding Cat5 Resources or employees that the employee does not have access to or a legitimate business reason to disclose.
- Involvement of discussion regarding a person, or people, who is not present to discredit incorrect statements.
- Unwelcome, critical, or malicious statements criticizing another person.
- Inference or assumption that can injure another person's credibility, reputation, or ability to perform their position effectively.
- Conversations that the engaged parties stop when a co-worker or manager approaches.

To have a workplace free of gossip and maligning, that all employees, regardless of position, will adhere to the following guidelines in regards to other employees, clients, or vendors:

- Not speak or insinuate another person's name when that person is not present unless it is to compliment or reference regarding work matters in a productive manner, whether at work or not.
- Refuse to participate when another mentions a person in a negative or malicious manner. Change the subject or tell them you have agreed not to be derogatory toward your peers.
- Not to respond to negative email or use email to pass on private or derogatory information.
- If another person in the department does something unethical, incorrect, against procedures, or disruptive, it will be handled by use of the proper channels, to report this to the person in authority to take corrective action, and not discussed amongst peers.
- Mind one's own business, perform their job in an ethical manner, be professional, and expect the same from others.

When Gossip and Malign Actions Policy is violated, management will meet with the employee privately to clear up the confusion. Management may ask the employee to give examples of gossip and role-play how he or she could use better judgment in those situations. Violation of this policy is subject to the Guidelines for Employee Discipline.

WORKPLACE RESPECT

All Cat5 Resources employees and managers are expected to treat co-workers, clients, vendors and customers with professionalism at all times. All Cat5 Resources employees and managers are encouraged to

- Respect the culture, workplace and property of Cat5 Resources
- Respect the culture, workplace and property of the Company's clients, vendors and customers
- Honor everyone's differences
- Avoid escalating matters by shouting screaming, yelling, cursing or abusing others
- Respect the concerns and feelings of co-workers
- Be willing to listen and communicate in a calm and professional manner
- Respect the privacy of co-workers, customers and vendors



BUSINESS RUMORS

If you hear a business related rumor, please ask your manager or supervisor if there is any merit to the rumor. It is your supervisor's job to keep you informed.

GUIDELINES FOR APPROPRIATE CONDUCT

As a company team member, employees are expected to accept certain responsibilities, follow acceptable business principles in matters of conduct, and exhibit a high degree of integrity at all times. This not only involves sincere respect for the rights and feelings of others, but also demands that employees refrain from any behavior that might be harmful to themselves, co-workers, Cat5 Resources, or that might be viewed unfavorably by current or potential clients or by the public at large. Employee conduct reflects on the company. Employees are, consequently, encouraged to observe the highest standards of professionalism at all times.

Types of behavior and conduct that Cat5 Resources considers inappropriate include, but are not limited to, the following:

Conduct

- Violating the Company's anti-harassment policy;
- Behaving in a manner that causes discord in the workplace or with clients;
- Fighting or using obscene, abusive, or threatening language or gestures;
- Unauthorized possession of firearms, weapons and other dangerous or hazardous devices or substances on the company premises (excluding bona fide law enforcement personnel) or while on company business; pursuant to Tex. Penal Code 30.06(trespass by holder of license to carry a concealed handgun), a person licensed under Tex. Rev. Stat. art. 4413 (29EE) (concealed handgun law) may not enter the Cat5 Resources property with a concealed handgun.
- Discourteous to co-workers, customers and/or clients;
- Inappropriate computer usage.

Employment

- Misrepresentation of skill-set during pre-employment interviewing process;
- Falsifying employment or other company records;
- Disregarding safety or security regulations;
- Insubordination, failure or refusal to do work assigned;
- Unsatisfactory job performance;
- Excessive failure to clock in/out, permitting another employee or clocking in/out for another employee;
- Working beyond scheduled shift hours without managerial approval;
- Excessive absenteeism or tardiness;
- Failure to report absence;
- Leaving the place of work without permission;
- Smoking in an unauthorized area;
- Soliciting, accepting, or participating in gratuities or political propaganda from, or with, customers or clients in excess of the policy.



Confidentiality

- Failing to maintain the confidentiality of company or client information;
- Breach of HIPAA regulations;
- Gossip or malign actions.

Theft

- Unauthorized use of the Cat5 Resources name or credit for vendor relationships, personal gain, or personal use;
- Unauthorized purchases or returns of company property and / or supplies as unauthorized expenses will not be reimbursed;
- Excessive, unnecessary, or unauthorized use of company property and supplies, particularly for personal purposes;
- Theft of property from co-workers, contractors, customers, vendors or Cat5 Resources.

Drug/Alcohol Policy

- Reporting to work under the influence of drugs or alcohol, and the illegal manufacture, possession, use, sale, distribution or transportation of drugs;
- Bringing or using alcoholic beverages on Cat5 Resources property or using alcoholic beverages while engaged in company business off the company's premises, except where authorized.

GUIDELINES FOR EMPLOYEE DISCIPLINE

Should an employee's performance, work habits, overall attitude, conduct or demeanor become unsatisfactory based on violations either of the above or of any other company policies, rules, or regulations, the employee will be subject to disciplinary action, up to and including termination, and, where relevant, criminal or civil charges will be filed.

Before or during imposition of any discipline, employees may be given an opportunity to relate their version of the incident or problem at issue and provide any explanation or justification they consider relevant.

Where appropriate, a policy of progressive employee discipline will be followed by supervisors and coordinated with Human Resources. Major elements of this policy include:

1. **VERBAL REPRIMAND.** The first step in the Cat5 Resources progressive disciplinary policy is the "verbal reprimand." This is a verbal warning to an employee that his conduct is unacceptable, and that repeated or continued failure to conform his conduct or performance to the company standards will result in more severe disciplinary action. A record of the notice of the verbal reprimand may be made and retained in the employee's personnel file.
2. **WRITTEN REPRIMAND.** The second step is a "written reprimand." This reprimand will describe the unacceptable conduct or performance of the employee and specify needed changes or improvements. A copy of the written reprimand will be retained in the employee's personnel file.
3. **SUSPENSION.** Suspension of the employee's employment may, at the sole discretion of Cat5 Resources, be used as a third step. This measure will be used in combination with an exercise designed to include the affected employee in their own restorative discipline. The length of the



suspension will vary based upon such factors as the severity of the offense, the employee's performance, and the employee's disciplinary record. An employee may be suspended for repeated instances of minor misconduct, failure to conform his conduct or performance to the standards of his position, or for a single serious offense.

An employee may also be suspended pending the outcome of an investigation. This suspension from work is a period of time utilized to investigate employee actions. Depending on the results of the investigation, the employee will be subject to further disciplinary action, including termination.

During this time period, wage increases, benefits, and paid time off are not granted or permitted. A record of the suspension and the employee's assigned disciplinary restoration exercise will be retained in the employee's personnel file.

4. **TERMINATION.** The final step in the disciplinary procedure is the termination of the employee. If an employee fails to amend his conduct or performance to the standards required by Cat5 Resources, the company may, in its sole discretion, terminate the employee's employment.

Notwithstanding this progressive disciplinary procedure policy, the company reserves the right to administer discipline in such a manner as it deems appropriate to the circumstances, and may, in its sole discretion, eliminate any or all of the steps in the discipline process.

An employee may be terminated for any one or more of the following reasons

- Fighting, abusing or assaulting any persons
- Making threats or engaging in intimidating or aggressive behavior or any other acts of workplace violence
- Using profanity, abusive language, cursing, yelling and screaming
- Sleeping on the job
- Playing practical jokes, pranks or engaging in horseplay
- Refusing to follow management's instructions concerning job-related matter or insubordination
- Engaging in breach of trust or dishonesty, fraud, theft, or falsification of any Cat5 Resources documents
- Receiving a conviction of a felony
- Engaging in deliberate non-performance of work, gross negligence, willful violation of the Cat5 Resources policy or rule
- Violating the Company's safety policies and rules
- Failing to call or directly contact your manager or supervisor when you will be late or absent from work
- Violating the Company's Confidentiality, Conflict of Interest and Business Ethics policies
- Soliciting or distributing in violations of Cat5 Resources policies
- Wearing inappropriate attire or having inappropriate personal appearance as defined by management
- Engaging in any type of immoral or indecent conduct
- Engaging in excessive absenteeism, tardiness or misinforming management about the reason for an absence or tardiness
- Spreading rumors, slander, gossip or lies that result in harm to any person
- Failing to report accurate hours on your timesheet



- Possessing firearms or weapons on Cat5 Resources property
- Soliciting or accepting personal gratuities from clients or vendors
- Damaging property belonging to Cat5 Resources, coworkers, clients or customers
- Violating the Company's Drug and Alcohol policies
- Reporting to work under the influence of alcohol, illegal drugs or misused legal drugs
- Engaging in the misuse or unauthorized use of prescription or legal drugs or substances
- Gambling during work hours (including but not limited to online gambling)
- Doing other than Cat5 Resources work during work hours
- Refusing to cooperate with a security, workplace harassment investigation or other Cat5 Resources investigation
- Engaging in workplace harassment of any kind in any form
- Violating the Company's Communications and Computer Use Policies
- Disclosing confidential Cat5 Resources information
- Misusing or misappropriating Cat5 Resources property, computers, cell phones, PDAs, computer files, the email system. Software and other electronic resources or equipment furnished to employees for purposes other than Cat5 Resources business use
- Using a password, accessing a file, or retrieving any stored communication without authorization
- Removing Cat5 Resources Company or business records or customer or client business records from the Company's premises without authorization
- Engaging in any conduct or behavior that is not in the best interest of Cat5 Resources

The examples of impermissible behavior described above are not intended to be an all-inclusive or comprehensive list. Any violation of the Company's policies, or any conduct considered inappropriate or unsatisfactory may, at management's discretion, subject the employee to discipline action up to and including termination

Documentation All disciplinary actions shall be recorded on the appropriate disciplinary form available from the Human Resources Department. If the action is at the written warning level or beyond, two copies of the documentation shall be distributed as follows

- One copy to be given to the employee
- One copy to be included in the employee's file

REPORTING POTENTIAL CONFLICTS

An employee must promptly disclose actual or potential conflicts of interest, in writing, to his/her supervisor. Approval will not be given unless the relationship will not interfere with the employee's duties or will not damage the Company's relationship.

Although it is not possible to specify every action that might create a conflict of interest, this policy sets forth a few, which most frequently present problems. If an employee has a question as to whether an action or proposed course of conduct would create a conflict of interest, he or she should immediately contact your manager or a member of executive management to obtain advice on this issue. The purpose of this policy is to protect employees from any conflict of interest that might arise.



A violation of this policy will result in immediate and appropriate discipline, up to and including termination of employment.

CONFIDENTIAL NATURE OF WORK

All Cat5 Resources records and information relating to Cat5 Resources or its customers are confidential and employees must, therefore, treat all matters accordingly. No Cat5 Resources or related information, including without limitation, documents, notes, files, records, oral information, computer files or similar materials (except in the ordinary course of performing duties on behalf of Cat5 Resources) may be removed from the Company's premises without permission from Cat5 Resources. Additionally, the contents of the Company's records and information otherwise obtained in regard to business may not be disclosed to anyone, except where required for a business purpose.

WORK PRODUCT OWNERSHIP

All Cat5 Resources employees must be aware that Cat5 Resources retains legal ownership of the product of their work. No work product created while employed by Cat5 Resources can be claimed, construed, or presented as property of the individual, even after employment by Cat5 Resources has been terminated or the relevant project completed. This includes written and electronic documents, audio and video recordings, system code, and also any concepts, ideas, or other intellectual property developed for Cat5 Resources, regardless of whether the intellectual property is actually used by Cat5 Resources.

Although it is acceptable for an employee to display and/or discuss a portion or the whole of certain work product as an example in certain situations (e.g., on a resume, in a freelancer's meeting with a prospective client), one must bear in mind that information classified as confidential must remain so even after the end of employment, and that supplying certain other entities with certain types of information may constitute a conflict of interest. In any event, it must always be made clear that work product is the sole and exclusive property of Cat5 Resources.

Contract and temporary employees must be particularly careful in the course of any work they discuss doing, or actually do, for a competitor of Cat5 Resources.

COMPETITIVE PRACTICES

Cat5 Resources firmly believes that fair competition is essential to the operation of a free enterprise system. Cat5 Resources complies with federal and state laws prohibiting restraints of trade, unfair practices, and abuse of economic power.

Cat5 Resources will not engage in conduct that unlawfully restricts its ability to compete with other businesses, or that unlawfully restricts the ability of any other business organization to compete freely with Cat5 Resources.

Cat5 Resources also prohibits its officers and employees from entering into, or even discussing, any unlawful arrangement or understanding that:

- Affects the Company's pricing policies



- Affects the terms upon which the Company's products and services are sold, and/or the number and type of products produced or sold
- Might be construed as dividing customers or sales territories with a competitor. Fair competition is an integral part of the Company's operations.

DEALING WITH SUPPLIERS/VENDORS

Reciprocity - Cat5 Resources considers reciprocity a harmful practice and a hindrance to assuring purchase of the best available materials or services at the lowest possible prices. Reciprocity is neither practiced nor allowed. Suppliers of goods and services to Cat5 Resources or its clients should not be asked to buy goods and services from Cat5 Resources in order to become or to continue as a supplier. Cat5 Resources will not attempt to influence its suppliers to purchase from Cat5 Resources clients. Neither will Cat5 Resources favor firms who are Cat5 Resources customers when Cat5 Resources makes purchases or recommendations to clients for purchases.

Kickbacks and Rebates – Corporate purchase or sales of goods and services must never result in the receipt of kickbacks, rebates, goods or services.

Gifts – The exchange of gifts, entertainment, or other favors often can be misinterpreted. Such exchanges may appear to be bribery attempts to persuade you to direct Cat5 Resources business to a particular supplier/vendor. To avoid both the reality and the appearance of improper relations with suppliers/vendors or potential suppliers/vendors, the following standards apply. General rule is that employees are prohibited from soliciting gifts, gratuities, or any other personal benefits or favors of any kind from any supplier/vendor or potential supplier/vendor. Gifts include not only merchandise and products but also personal services, theater tickets, and tickets to sporting events. Employees are discouraged from accepting unsolicited gifts. Employees are prohibited from accepting gifts of money. The below are exceptions to the rule and employees may accept unsolicited non-money gifts provided such gifts are:

- Items of nominal intrinsic value (less than \$25.00)
- Advertising or promotional materials clearly marked with company or brand names

If you receive any gift of more than nominal intrinsic value, you must report the matter to your manager or supervisor who will determine whether the gift may be accepted. Some gifts may be personalized or perishable, and thus their return may be impractical. You may be permitted to accept the gift, but you also may be instructed to tactfully discourage such future gifts.

VIOLENCE IN THE WORKPLACE POLICY

It is the intent of the Company to provide a safe workplace for employees and to provide a comfortable and secure atmosphere for clients and others with whom we do business. The Company has zero tolerance for violent acts or threats of violence.

All employees are expected to conduct themselves in a non-threatening, non-abusive manner at all times. No direct, conditional or veiled threat of harm to any employee or company property will be considered acceptable behavior. Acts of violence or intimidation of others will not be tolerated. Any



employee who commits, or threatens to commit, a violent act against any person, while on company premises, will be subject to immediate discharge. If an employee, while engaged in company business off the premises, commits or threatens to commit a violent act, that employee will be subject to immediate discharge if the threat or violent act could adversely affect Cat5 Resources or its reputation in the community.

Employees within the company share the responsibility in identification and alleviation of threatening or violent behaviors. Cat5 Resources does not expect you to become an expert in psychology or to physically subdue a threatening or violent individual. Indeed, the Company specifically discourages you from engaging in any physical confrontation with a violent or potentially violent individual. However, Cat5 Resources does expect and encourage you to exercise reasonable judgment in identifying potentially dangerous situations. Any employee who is subjected to or threatened with violence, or who is aware of another individual who has been subjected to or threatened with violence, should immediately report this information to their supervisor or a member of management. Employees must assume that any threat is serious. If you as an individual feel threatened and need protection, do not hesitate to report the situation to a supervisor. Any threat reported to a supervisor should be brought to the attention of management and/or the company Human Resource Department. Human Resources will carefully investigate all reports, and employee confidentiality will be maintained to the fullest extent possible.

Workplace violence experts state that prior to engaging in acts of violence, troubled individuals often exhibit one or more of the following behaviors:

- Over-resentment, anger and hostility
- Extreme agitation
- Making ominous threats such as bad things will happen to a particular person, or a catastrophic event will occur
- Sudden and significant decline in work performance
- Irresponsible, irrational, intimidating, aggressive or otherwise inappropriate behavior
- Reacting to a question with an antagonistic or overtly negative attitude
- Discussing weapons and their use, and/or brandishing weapons in the workplace
- Overreacting or reacting harshly to changes in Company policies and procedures
- Personality conflicts with co-workers; obsession or preoccupation with a co-worker or supervisor
- Attempts to sabotage the work or equipment of a co-worker
- Blaming others for mistakes and circumstances
- And demonstrating a propensity to behave and react irrationally

REPORTING CONDUCT

All threats of (or actual) violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor, the Human Resources Department, or any other member of Cat5 management with whom you feel comfortable. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible.



All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your work station, do not try to intercede or see what's happening.

Cat5 Resources will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical. Reports of threats may be maintained confidentially to the extent maintaining confidentiality does not impede our ability to investigate and respond to the complaints. Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

No employee will be subjected to retaliation, intimidation or disciplinary action as a result of reporting a threat in good faith under this policy.

EMPLOYEE SAFETY AND HEALTH

It is the policy of Cat5 Resources to provide its employees a safe and healthy work place and to follow procedures aimed at safeguarding all employees. Accident prevention and efficiency in production go together; neither should be given priority over the other. Workplace accidents must be reported according to the Workplace Accident Policy.

Cat5 Resources complies with state and federal regulations concerning the health and safety of its employees. However, the company believes that the best source of protection for health and safety of the workforce is the individual employee. Therefore, every employee is directly responsible for the proper care and safe use of company property and equipment placed in their charge, either temporarily or on a regular basis. We are committed to maintaining a safe and healthy work environment, and employees are expected to demonstrate a cooperative spirit by working together in helping the company in this effort. You should be aware of OSHA regulations pertaining to your position.

Safety is everyone's responsibility. Every supervisor is expected to devote the time and effort necessary to ensure the safety of employees and that they adhere to the policies and guidelines.

Responsibilities of the employee include, but are not limited to:

- Adherence to OSHA Regulations.
- Obeying the safety rules as identified in the Safety Manual.
- Following safe job procedures. No taking short cuts.
- Keeping work areas clean and free from slipping or tripping hazards.
- Using prescribed personal protective equipment.
- Immediately reporting all malfunctions to a supervisor.
- Using care when lifting and carrying objects.
- Observing restricted areas and all warning signs.
- Knowing emergency procedures.
- Reporting unsafe conditions to supervisors.
- Promptly reporting every accident and injury to his supervisor.



- Following the care prescribed by the attending physician when treated for an injury or illness.
- Attending all employee safety meetings.
- Participating in accident investigations, serving on safety committee or other loss control activities as needed.

Failure to observe these guidelines may result in disciplinary action, up to and including termination of your employment.

The organization, at its discretion, may issue or pay individual cellular phones to company representatives who are required to be in close contact with the management team at all times. While cell phones are a necessary convenience of the business world, we require that our employees follow the guidelines listed below for their own and others safety.

The Company has a zero tolerance policy regarding talking on a cell phone while driving without a hands free device. Texting or any other use of the cell phone applications while driving is against company policy. For the safety of our employees and others it is imperative that you pull over and stop at a safe location to check emails, text messages, or dial a cell phone. In states where cell phone usage while operating a motor vehicle is prohibited, employees are required to abide by the applicable laws. If a client project has a stipulation regarding zero cell phone use while driving, employees must adhere to that requirement.

WORKPLACE ACCIDENTS

If an employee is injured, no matter how insignificant an injury may seem at the time of occurrence, you should notify the on-site supervisor immediately of any workplace accident or injury. HR should be contacted immediately by on-site supervisor so that a Supervisor and Employee Report of Accident Form can be completed.

Employees injured on the job are required to submit to a post-accident drug test within 24 hours of the accident. Failure to submit to a post-accident drug test within 24 hours may result in disciplinary action up to and including termination.

Assistance from outside emergency response agencies should be sought, if needed. If the injury does not require medical attention, the employee must still complete the Form in case medical treatment is later needed and to ensure that any existing safety hazards are corrected.

Neither the Company, nor the insurance carrier, will be liable for the payment of any injuries or damages that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by the Company.

DRUG FREE WORKPLACE POLICY

The policy of the Company is to maintain a drug free workplace. As a condition of continued employment, all company employees must comply with this policy. The term "workplace" is defined as company property, any company sponsored activity, or any other site where the employee is performing work for Cat5 Resources or representing the company. The term "drug" as used in this policy includes



alcoholic beverages and prescription drugs, as well as illegal inhalants and illegal drugs and/or controlled substances as defined in schedules I through V of the Controlled Substances Act, 21 U.S.C. Sec. 812, 21 C.F.R. Sec 1308, and the state and local law of the jurisdiction where the workplace is located, including, but not limited to, marijuana, opiates (e.g., heroin, morphine), cocaine, phencyclidine (PCP), and amphetamines. An employee who engages in an activity prohibited by this policy shall be subject to disciplinary action, up to and including immediate termination of employment.

All applicants must pass a background check and drug screen before beginning work. Cat5 Resources will take steps to prevent and discourage use, possession, sale, or distribution of stated contraband at any time by any company employees or contract employees. In accordance with this policy, periodic searches, random drug screening, and reasonable suspicion screening may be conducted. Such searches and testing will be performed by Cat5 Resources using qualified contracted agents, or qualified, named employees in a confidential manner. Refusal to submit to testing will result in disqualification of further employment consideration.

Prohibited activities under this policy include the possession, use, sale, attempted sale, distribution, manufacture, purchase, attempted purchase, transfer, or cultivation of drugs, as defined above, in the workplace, as defined above. Employees are also prohibited from being at the workplace with a detectable amount of drugs in their system. However, the use and/or possession of prescription drugs, when taken as directed and obtained with a valid prescription, shall not be a violation of this policy.

Cat5 Resources reserves the right to conduct searches or inspections of all vehicles or other property, including personal property, which is located on the Company's premises. Such searches and inspections may be conducted without prior notice. Failure of an employee to cooperate in the implementation of this policy may result in termination.

Information regarding the availability of treatment programs, if any, such as assistance provided by company's health care plan coverage, when applicable or drug and alcohol abuse rehabilitation programs and the requirements for participation in drug and alcohol abuse education and training programs, may be requested by contacting your company Human Resources Department. Cat5 Resources maintains a policy of non-discrimination and will endeavor to make reasonable accommodations to assist individuals recovering from substance abuse and alcohol dependencies, and those who have a medical history which reflects treatment for substance abuse conditions. We encourage employees to see assistance before their substance abuse or alcohol misuse renders them unable to perform the essential functions of their jobs, or jeopardizes the health and safety of any Company employee, including themselves.

This policy is not intended to replace or otherwise alter the obligation of a company to comply with requirements of the U.S. Department of Transportation or any other federal, state or local agency that regulates drug testing administration or a particular industry.



DISCIPLINARY ACTION

An employee engaging in the use of alcohol while on Cat5 Resources property, worksite, or business who reports for duty under the effects of alcohol or illegal drugs will be removed from the workplace, required to undergo testing, referred for treatment, and/or disciplined, up to and including termination.

Any employee engaged in the:

- Use, production, ingestion, possession, purchase, sale or transfer of any illegal drug, substance or inhalant
- Possession of prescribed drugs that are not in the correct container
- Possession of prescribed drugs that are not prescribed to the person in possession
- Possession of any correctly prescribed drug that is unsafe to use while on an industrial location
- Possession of a “look-alike” or designer drugs or drug paraphernalia in any form; or misuse or unauthorized use or abuse of prescription drugs while on Cat5 Resources property, worksites or while on Cat5 Resources business will be removed from the workplace, required to undergo testing, referred for treatment, and/or disciplined, up to and including termination. Such employees also may be subject to criminal investigation and/or prosecution.

If an employee is arrested or convicted for driving under the influence of alcohol or an illegal drug or substance, the misuse or unauthorized use or abuse of prescription drugs, or for the violation of a criminal drug statute, a Cat5 Resources designated official will thoroughly investigate all of the circumstances.

Compliance with the Company’s substance abuse policy is a condition of employment. The failure or refusal of an employee to cooperate fully, to sign any document required in the implementation of this policy or submit to an inspection or test, will be grounds for termination. Any Cat5 Resources employee who refuses a search, urinalysis, lab test, or is found with such illegal or unauthorized items will be subject to disciplinary action up to and including immediate discharge.

CONTACT WITH THE MEDIA

All media inquiries regarding Cat5 Resources and its operations must be referred to executive management. Only executive management is authorized to make or approve public statements pertaining to the Company or its operations. No employees, unless specifically designated by executive management, are authorized to make those statements. Any employees wishing to write and/or publish an article, paper, or other publication on behalf of the Company must first obtain approval from executive management.

ENTERTAINMENT BEHAVIOR

Acceptable business practice includes the necessity for certain personnel to host business contacts under conditions conducive to business discussion. Such occasions should be limited to moderate expenditure, and they must serve a definite business purpose. Documentation for business entertainment expenses must include:

- Date, name and location (city and state) of restaurant or other venue
- Cost, including tips and taxes
- Names, titles and business affiliations of those entertained
- Nature and purpose of discussion



Business entertainment deductibility is strictly controlled by The IRS. The business entertainment must be directly related to the active conduct of business.

While the Company generally does not concern itself with the private lives of its employees, there are occasions when the interest of the Company and the private lives of its employees intersect. Entertainment of clients and employees is an example of such an intersection. Accordingly, it is Cat5 Resources policy that when employees are entertaining potential or existing clients, potential or current employees, or current, former, or potential co-counsel whether such entertainment is reimbursed by the company or not, that nothing occur adverse to the interests of the organization. There should always be an understanding of social responsibility and each employee is expected to be mindful of such responsibility. The senior employee at the event is responsible for overseeing this policy, however, each employee will be held personally responsible for their own actions. Cat5 Resources will not pay for legal fees, nor will the Company represent, for any employee who violates this policy. The following are general guidelines for this policy.

- Illegal activities are to be avoided.
- In accordance with the Anti-Harassment Policy and the Non-Fraternization Policy, employees of Cat5 Resources are not to engage in unprofessional behaviors while entertaining clients or employees.
- Unlawful discrimination is to be avoided (for example, sexual harassment and disability discrimination). Under no circumstance should an employee of Cat5 Resources feel they must remain in the company of any person who is, in the course of business, behaving inappropriately or in a harassing manner. Should a client, business associate, or co-worker behave in such a manner with an employee of the firm, it is policy that the employee is to report it to management as soon as prudently possible per the complaint procedure.
- Before using a facility for entertaining, you should confirm that persons with disabilities can be reasonably accommodated at the facility.
- The use of alcohol for business entertainment purposes should be kept to a minimum. The purchase and use of alcohol can create significant legal liability for the individuals involved as well as Cat5 Resources.
- If alcohol is to be provided as part of a valid entertainment for guests at an event or a dinner, it should be in moderate quantity and it must be approved by an officer of the organization. At larger events, a bartender from a vendor carrying liability insurance should be used. Intoxication while entertaining on behalf of the firm (including, without limitation, while driving) is unacceptable. At any time an employee anticipates drinking alcohol will be a part of entertaining a potential or existing client or employee, prior arrangements must be made to ensure that no one who has been drinking will operate a motor vehicle. If an employee of Cat5 Resources finds themselves in the unexpected position of having no one available that has not consumed alcohol, a hired driver, such as a taxi cab, must be called at the expense of the organization.
- Employees shall not conduct company business or use company equipment while intoxicated.

Employees agree to conduct themselves with due regard to public conventions and morals, and agrees that he or she will not do or commit any act or contempt, scorn or ridicule, or that will tend to shock, insult or offend the community or ridicule public morals or decency or prejudice the Company.



OTHER REIMBURSABLE CHARGES

The following is a list of charges that are not covered above but are reimbursable:

- Tips or gratuities at restaurants, hotels, airports
- Parking or tolls (must obtain receipts)
- Business Supplies
- Internet charges

NON-REIMBURSABLE CHARGES

The company will not reimburse expenses incurred outside reasonable and customary travel and business expenses. Typical non-reimbursable items including the following:

- Bar charges
- Charter aircraft.
- Limousine service
- Additional car rental insurance
- Car rental refuel option charges
- Credit card rate and service fees
- Expenses incurred as a result of extending a trip beyond the business requirements
- Gift
- Housekeeper, babysitter, or kennel fees
- In-room movies
- Laundry services
- Personal or home entertainment
- Political or charitable contributions
- Social club dues
- Spouse, children, and so forth., travel expenses
- Travel insurance

The list outlined above is typical, but not complete. Employees should contact their Manager to confirm whether an expense qualifies for reimbursement prior to incurring the expense. The Company will not be responsible for paying items due to uncertainty or inability to obtain approval.

PERSONAL EXPENSES

The employee is responsible for all personal expenses including meals, hotel charges, rental car, and so forth, related to the non-business portion of the trip. Personal stopovers while in route to a business destination or during the return trip following completion of business objectives must be approved by the employee's manager in advance. All charges incurred as a result of a personal stopover will be the responsibility of the employee. If the stopover is primary for the benefit of the Company (i.e., Saturday night stay to get lower airfare), the employee's manager may approve such expenses as necessary to obtain the lower airfare.

PERSONAL RELATIONSHIPS

Cat5 Resources desires to avoid misunderstandings, actual or potential conflicts of interest, complaints of favoritism, possible claims of sexual harassment, and the employee morale and dissension problems



that can potentially result from personal relationships involving managerial and supervisory employees in the company or certain other employees in the company.

Accordingly, managers and supervisors are prohibited from having a personal relationship with a direct reporting employee. Additionally, all employees, both managerial and non-managerial, are discouraged from becoming personally involved with other employees, when, in the opinion of the company, their personal relationships may create a conflict of interest, cause disruption, create a negative or unprofessional work environment, or present concerns regarding supervision, safety, security, or morale.

All employees, both managerial and non-managerial, are strictly prohibited from dating clients. If an employee develops a personal relationship with a client, the employee may be subject to disciplinary action, up to and including termination.

An employee involved with a client, supervisor or fellow employee should immediately and fully disclose the relevant circumstances to their supervisor so that a determination can be made as to whether the relationship presents an actual or potential conflict of interest. If an actual or potential conflict exists, Cat5 Resources may take whatever action appears appropriate according to the circumstances, up to and including transfer or discharge. Failure to disclose facts may lead to disciplinary action, up to and including termination.

All employees should also remember that the company maintains a strict policy against unlawful harassment of any kind, including sexual harassment. Cat5 Resources will vigorously enforce this policy consistent with all applicable federal, state, and local laws.

An employee who is involved in a personal relationship with another employee may not occupy a position in the same department as, work directly for or supervise the employee with whom he or she is involved. A "personal relationship" is defined as a relationship between individuals who have or have had a continuing relationship of a personal or intimate nature. Cat5 Resources reserves the right to take prompt action if an actual or potential conflict of interest arises concerning individuals who occupy positions at any level (higher or lower) in the same line of authority that may affect employment decisions. Managers and supervisors are prohibited from dating subordinates and may be disciplined for such actions, up to and including termination.

When a conflict or the potential for conflict arises because of a personal relationship between employees even if there is no line of authority or reporting involved, the employees may be separated by reassignment or termination from employment. If such personal relationship is established after employment, it is the responsibility and obligation of the employees involved to disclose the existence of the relationship to the Human Resources. When a conflict or a potential for conflict arises because of the relationship affecting employment, the individuals concerned will be given the opportunity to decide who is to be transferred to another position or terminated if no position is available. If the decision is not made within 30 calendar days, management will decide who is to be transferred or if necessary, terminated from employment.



COMPLAINT RESOLUTION PROCEDURE

Misunderstandings or conflicts can arise in any organization. To ensure effective working relations, it is important that such matters be resolved before serious problems develop. Most incidents resolve themselves naturally; however, should a situation persist that you believe is detrimental to your employment with Cat5 Resources, you should follow the procedure described here for bringing your complaint to management's attention.

Step One. Discussion of the problem with your immediate supervisor is encouraged as a first step. If, however, you do not believe a discussion with your supervisor is appropriate, you may proceed directly to Step Two.

Step Two. If your problem is not resolved after discussion with your supervisor or if you feel discussion with your supervisor is inappropriate, you are encouraged to request a meeting with a representative of the company Human Resource Department. In an effort to resolve the problem, the representative will consider the facts and may conduct an investigation.

The Company does not tolerate any form of retaliation against employees availing themselves of this procedure. The procedure should not be construed, however, as preventing, limiting, or delaying Cat5 Resources from taking disciplinary action against any individual, up to and including termination, in circumstances (such as those involving problems of overall performance, conduct, attitude, or demeanor) where the company deems disciplinary action appropriate.



HOURS AND COMPENSATION POLICIES

HOURS OF OPERATION

By being ready, willing, and able to serve clients efficiently at any time, competing fairly in the marketplace and producing a quality product, we increase the opportunity for maintaining a steady flow of work. All employees are expected to adhere to their schedule, unless otherwise directed by their supervisor.

The standard office hours are 8:00 AM to 5:00 PM, Monday through Friday. The employees are allotted a lunch period of one (1) hour (unpaid) and two (2) 15 minute (paid) rest periods. In order to facilitate the smooth flow of business and to adequately cover the phones, the supervisor may assign or change lunch break times to meet the needs of the company. Breaks and lunch periods are to be conducted within the time allotted and employees must return to their work stations in a punctual manner.

If, for any reason, a previously scheduled shift/workday (including scheduled overtime) must be cancelled, every reasonable attempt will be made to contact each person who has been scheduled to work. A record will be kept of those reached. Any employee who has not been notified, and who comes in to work, will be provided work and paid for the hours worked, or will be paid for a minimum of two hours at the regular hourly rate, whichever is greater.

You are expected to be at your job station, ready to work at your starting time. From time to time, it may be necessary for you to work altered work schedules, which may include additional hours, evenings, and weekends to complete a job function. If the occasion arises that you will be required to work an altered schedule, you will be given as much advance notice as possible.

LACTATION BREAK

This organization will provide a reasonable amount of break time to accommodate a female employee's need to express breast milk for the employee's infant child. The break time should, if possible, be taken concurrently with other break periods already provided. We will also make a reasonable effort to provide the employee with the use of a room or other location in close proximity to the employee's work area, other than a restroom stall, in which the employee may express milk in private.

Employees should notify their immediate supervisor if they are requesting time to express breast milk under this policy.

Employees who are nursing are provided with reasonable unpaid time for up to one (1) year following the birth of a child to express breast milk, as long as providing such break time does not unduly disrupt operations. Cat5 Resources will provide a private location. Please advise management if you need break time and an area for this purpose. Employees will not be retaliated against for exercising their rights under this policy.



PAYDAY

All employees will be paid bi-weekly on Fridays. For paydays falling on a weekend or bank holiday, you will be paid the prior business day. Cat5 Resources provides direct deposit for all employees. You will complete a Direct Deposit Authorization form when on-boarded and direct deposit will begin immediately upon employment.

If you are terminated, you will receive final payment on the next regular payday, or in accordance with applicable state law, whichever is earlier.

TIMEKEEPING PROCEDURE

Employees must record their actual time worked for payroll and benefit purposes. Non-exempt hourly employees must record the time work begins and ends, as well as the beginning and ending time of any departures from work for any non-work-related reason, in the company's time keeping system prescribed by management.

Altering, falsifying or tampering with time records is prohibited and subjects the employee to discipline up to and including termination.

It is your responsibility to certify the accuracy of all time recorded. Any errors in your timesheet should be reported immediately to your manager or supervisor, who will correct legitimate errors.

NON-EXEMPT AND HOURLY EMPLOYEES

All non-exempt and hourly employees must record all hours worked, tardiness, absences, leaves, vacations, holidays or other compensable and non-compensable time through the use of Absence Request Forms. At no time may any employee or other party complete a time record for another employee or person.

OVERTIME FOR NON-EXEMPT EMPLOYEES

It should be recognized that overtime and additional work, other than that which is regularly scheduled, might be required. All overtime must be authorized prior to its occurrence by the immediate supervisor and employees will be advised as soon as prudently possible by their supervisor if there is a need for extra hours to be worked. Overtime must be clearly noted on the time sheet and should be initialed by the immediate supervisor.

Overtime will be paid, to eligible non-exempt employees, in accordance with applicable state law. The pay for regular overtime will be at the federal or state prescribed wage rate, whichever is higher.

NON-EXEMPT TRAVEL PAY

In accordance with federal law, employees will be compensated for travel to and from a jobsite provided that travel occurs during regular, scheduled, work hours. Travel by a non-exempt employee who will be away from home overnight is work time only during those periods the employee is engaged in company business, which typically will coincide with the employee's regular working hours.



A traveling non-exempt employee will receive pay for all hours spent traveling if they are actively driving to the location or between locations in extent of their work hours, even if it is on a non-working day or after standard work hours. If an employee is traveling as a passenger with another employee, or on public transportation, they will receive pay during regular working hours, however, during non-regular work hours, they will not be compensated for that time.

Hours worked while traveling will be paid for hours the employee is regularly scheduled. If the employee works on an unscheduled workday, they will be paid for those hours, however, they will not be paid for a day off of work that is not a scheduled workday. In the occurrence that an employee takes a day off of work that is regularly scheduled, they will be paid per the Paid Time Off policy.

All hours paid for travel will be paid in accordance with the Overtime For Non-Exempt Employees policy, state, and federal law.

SAFE HARBOR POLICY FOR EXEMPT EMPLOYEES

It is our policy and practice to accurately compensate employees and to do so in compliance with all applicable state and federal laws. To ensure that you are paid properly and that no improper deductions are made, you must review your pay stubs promptly to identify and report all errors. If you are classified as an exempt salaried employee, you will receive a salary which is intended to compensate you for all hours you may work for the Company. This salary will be established at the time of hire or when you become classified as an exempt employee. While it may be subject to review and modification from time to time, such as during salary review times, the salary will be a predetermined amount that will not be subject to deductions from variations in the quantity or quality of the work you perform.

Under federal and state laws, your salary is subject to certain deductions. For example, unless state law requires otherwise, your salary can be reduced for the following reasons:

- Full-day absence for personal reasons
- Full-day absence for sickness or disability
- Full-day disciplinary suspensions for infractions of our written policies and procedures
- Family and Medical Leave absences (either full- or partial-day absences) if applicable
- To offset amounts received as payment for jury and witness fees or military pay
- The first or last week of employment in the event you work less than a full week
- Any full work week in which you do not perform any work

Your salary may also be reduced for certain types of deductions, such as your portion of health, vision, dental or life insurance premiums; state, federal or local taxes and social security.

In any workweek you perform work, your salary will not be reduced for any of the following reasons:

- Partial day absence for personal reasons, sickness or disability
- Your absence on a day because your employer has decided to close the facility on a scheduled work day
- Absences for jury duty, attendance as a witness, or military leave in any week in which you have performed any work



- Any other deductions prohibited by state or federal law

Prohibited Reductions / Complaint Procedure

Any salaried exempt employee whose salary is reduced in violation of this policy will be reimbursed. If you feel your salary has been improperly reduced, please Human Resources. The employee will not be penalized in any way for making such a complaint.

This policy is intended solely to implement FLSA regulatory requirements, will be applied and modified as necessary, in accordance with such requirements, and is not to be considered a contract.

BONUSES

All bonuses are discretionary and are not guaranteed. If a bonus is paid out, current and ongoing employment is required at the time of payout. If an employee terminates prior to the bonus payout, the bonus is forfeited.

ABSENTEEISM AND TARDINESS

Cat5 Resources is able to operate based upon our estimates of performance and our history of reliability. All employees are expected to assume diligent responsibility for their attendance and promptness as it applies to their work schedule.

The work schedule is constructed by the department manager around the maximum working hours and capabilities of the staff. It is extremely important that you be punctual in your arrival for work at the beginning of the workday or shift to which you are assigned. If you know that you will be absent or late arriving for work, notify your supervisor personally as soon as prudently possible before your scheduled start time. In the event of a disabling sickness or accident while performing your duties, notify your supervisor, or supervisor's designee, immediately.

Employees are expected to exercise judgment in calling in sick and should do so if they have a contagious ailment. If an employee appears to be contagious, their manager may send them home at their discretion to prevent infection in other employees. If an employee is absent for two or more consecutive workdays, a statement from a physician may be required, up to and including a fitness for duty form, before they will be permitted to return to work to ensure they can safely perform their essential work duties. In such instances, Cat5 Resources also reserves the right to require an employee to submit to an examination by a physician designated by the Company at its discretion.

Unexcused or excessive absenteeism or tardiness may be grounds for disciplinary action, up to and including termination. If you are absent for one or more consecutive business days and fail to properly report your absences, this may be considered a resignation of your position and you may be terminated for job abandonment. Extenuating circumstances will be considered on a case by case basis.

An arrested employee may be placed on personal leave by the Company. The Company will decide whether and upon what conditions personal leave may apply as well as whether, when and upon what conditions reinstatements of the employee may be appropriate.



EMERGENCY OFFICE CLOSING

This policy establishes guidelines for operation during periods of extreme weather and similar emergencies. Cat5 Resources will remain open in all but the most extreme circumstances. Unless an emergency closing is announced, all employees are expected to report to work. However, all employees are urged to use their own discretion in deciding whether they can commute safely to work.

When an emergency closing has not been declared, non-exempt employees who do not report to work because of inclement weather, have the option to work from home, if they possess the necessary equipment and have a supervisors approval. If it is not possible to perform work from home, they have the option of taking vacation or PTO. Nonexempt employees are expected to perform work from home if they cannot report to work due to inclement weather. If weather or other emergency conditions prevent employees from reporting to work on time, they are responsible for notifying their supervisor, within the first hour of the workday. Such notification should be made by a telephone conversation directly with the supervisor. If direct contact is not possible, leaving a detailed voice mail message for the supervisor or a message with the supervisor's designee is acceptable. Employees should leave a phone number where they can be reached.



OPERATIONS POLICIES

APPEARANCE

Our organization provides their employees with a business casual dress code policy. The primary objective is to have employees project a professional image. It is essential to avoid wearing anything to the office that is excessively worn, frayed, wrinkled, or is too revealing. All employees are required to report for work in clean clothing and office appropriate footwear. All personnel should maintain good grooming and personal hygiene. Employees who meet with clients should dress business casual at a minimum. If unsure of the client's dress code, the employee should dress more formally. On Fridays, employees are allowed a more relaxed dress code that includes jeans.

Hair color, visible tattoos, and body art must be tasteful and the employee may be required to cover tattoos or remove visible body art at management's discretion. If an employee comes to work with a hair color that is not business appropriate, they may be asked to leave until they apply a suitable shade. If an employee is unsure if a physical change they are considering will be acceptable for the office, they should inquire with their manager before making the modification.

Employees are expected to use good judgment in selecting the attire to be worn to the office. We must all remember that our appearance forms the basis of our client's first impressions of us. A casual or unkempt appearance, or poor hygiene, is inconsistent with the image and reputation of the organization and you as a representative. If your supervisor feels your apparel is inappropriate, you may be asked to leave the workplace until you are properly dressed and / or groomed. Under such circumstance, you will not be compensated for the time away from work. Consult your supervisor if you have questions as to what constitutes appropriate appearance.

At all times, employees must consider the OSHA safety standards when dressing for the day. When working in an OSHA regulated area, proper clothing, footwear, safety glasses, and other appropriate personal protection equipment for your work environment will be used, especially when performing operations which produce flying particles that could endanger your eyes or skin. Failure or refusal to wear appropriate safety attire will be a basis for disciplinary action, up to and including termination of employment.

HOUSEKEEPING

Employees are responsible for maintaining their own work areas in a presentable manner. At the close of each business day, ensure that all equipment is cleaned and put away. All stationary and miscellaneous supplies should be removed from benches/furniture tops. Paperwork should not be left out overnight. Remember, we want our customers to look at us as a professional, neat organization.

Work areas must be maintained in a clean, healthy, and orderly fashion to prevent unsafe conditions and potential accidents. Equipment should be properly stored when not in use, and all floor areas must be kept free of boxes, cables, and other items to prevent falls. If you observe conditions or equipment which are potentially dangerous, report them immediately to your supervisor. It is each person's responsibility to assure the work area is clean and orderly at the completion of his scheduled work shift.



Common areas, specifically the refrigerator and counter surrounding the coffee maker, should be kept tidy at all times. Employees who bring food from home, or wish to store their leftovers, should mark their container(s) clearly with their name and the date the food has been placed in the refrigerator. Employees should not expect that their food will still be in the refrigerator after a period of one week and consideration will be given to store bought containers that are marked with the employee's name, but they will not be cleaned. Anything not marked with employee's name and date will be thrown out regardless of the type of container. Do not put trash into an already full trash can. If you find a full can, please remove the bag and place in the large cans provided outside. In the event those cans are full, please utilize the dumpster located across the street from the office.

PERSONAL PHONE CALLS AND PERSONAL BUSINESS

During business hours, you are requested to keep personal calls, whether on the business phones or a personal cell phone, to an absolute minimum. Our phone system needs to be free for possible business calls. No long distance or toll calls such as directory assistance, other than business related calls, are to be made from the company's telephones. If it is absolutely necessary that you make a toll call from work, you must charge it to your personal calling card or home number. Telephone records are subject to periodic review by management.

To use cellular devices in the work place is disruptive. Personal cellular use is defined as phone calls, texting, surfing, social networking, playing games, and reviewing email. Devices should be used at a minimum during work hours or during break times.

Employees contacted by creditors or collection agencies should immediately inform the caller of this policy and end the call. They should then follow up with the agency in writing advising them not call them at work. Creditors failing to honor this request can be reported to the Federal Trade Commission at www.ftc.gov.

If you need to leave the worksite to conduct personal business, you must first obtain permission from your immediate supervisor. This will allow him/her to make modifications to the work schedule if necessary and will keep him/her aware of your activities during the day. Employees will not be paid for time off, whether excused or not, except in the case of documented acceptable illness/injury, bereavement leave, or jury duty.

Personal visits of friends and family members to the worksite are discouraged.

COMMUNICATION SYSTEMS

It is the intent of Cat5 Resources to provide the communication systems necessary to conduct its business. Employees are expected to adhere to proper use of all communication systems. These include but are not limited to the telephone, company issued cell phones, e-Mail, facsimile, internet, voice mail, personal computers/laptops, and systems software. Employees are permitted use of Cat5 Resources property and must comply with Company policies and procedures regarding its use.

Communication systems owned and operated by Cat5 Resources are to be used for the business of Cat5 Resources. Employees should have no expectation of privacy of any correspondence, messages or information in the systems. Use of personal laptops for business purposes is prohibited.



The Company reserves the right to access and disclose all such messages sent for any purpose. All such messages, regardless of content or the intent of the sender, are a form of corporate correspondence, and are subject to the same internal and external regulation, security and scrutiny as any other corporate correspondence. E-mail communications must be written following customary business communications practices as is used in Cat5 Resources correspondence. E-mail communications are official internal Cat5 Resources communications, which may be subject to summons in legal proceedings. Work-related messages should be directed to the affected employee(s) rather than sending a global message to all employees. Employees should always ensure that the business information contained in Internet e-mail messages and other transmissions is accurate, appropriate, ethical, and lawful.

Cat5 Resources' communication systems shall not be used as a forum to promote religious or political causes, or an illegal activity. Offensive or improper messages or opinions, transmission of sexually explicit images, messages, cartoons, or other such items, or messages that may be construed as harassment or disparagement of others based on race, color, religious creed, gender (including sex stereotyping), national origin, ancestry, citizenship status, pregnancy, physical disability, mental disability, age, uniform service member status, marital status, registered domestic partner status, medical condition (including, but not limited to, cancer related or HIV/AIDS related) or sexual orientation are also prohibited on Cat5 Resources' communication systems.

Employees shall not attempt to gain access to another employee's personal communications system, messages or emails except when authorized. Cat5 Resources, however, reserves the right to access an employee's messages at any time, without notice to the employee.

The unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited. As a general rule, if an employee did not create material, does not own the rights to it, or has not gotten authorization for its use, it should not be put on the Internet. Furthermore, work completed as part of an employee's normal work is company property.

This Policy applies to all full-time, part-time, and temporary employees, persons employed by temporary employment agencies, and to all third-party contractors with access to Cat5 Resources' Electronic Systems. Any violation of these guidelines may result in disciplinary action, up to and including termination.

Access to the Internet through Cat5 Resources' Electronic Information Systems shall be used for the primary purpose of fulfilling the business needs of Cat5 Resources only, and not for personal use. Use of the internet allows employees to connect to information resources around the world. Every staff member has a responsibility to maintain and enhance Cat5 Resources' public image, and to use the Internet in a productive manner. To ensure that all employees are responsible, productive Internet users and are protecting the organization's public image, the following guidelines have been established for using the Internet. While internet usage is intended for job-related activities, incidental and occasional brief personal use is permitted within reasonable limits. Cat5 Resources requests that employees minimize their storage of personal electronic messages and other information.



In no event shall an employee forward to any person not bound by this Policy copyrighted material, client records, employee records, trade secrets, or any other Cat5 Resources proprietary information through the Internet.

Acceptable Use of the Internet Employees accessing the Internet are representing Cat5 Resources. All communications should be for professional reasons. Employees are responsible for seeing that the Internet is used in an effective, ethical and lawful manner. Internet Relay Chat channels may be used to conduct official Company business, or to gain technical or analytical advice. Databases may be accessed for information as needed. E-mail may be used for business contacts.

Unacceptable Use of the Internet The Internet should not be used for personal gain or advancement of individual views. Solicitation of non-company business, or any use of the Internet for personal gain is strictly prohibited. Use of the Internet must not disrupt the operation of the Cat 5 Resources network or the network of other users including music and video streaming. It must not interfere with your productivity.

Communications Each employee is responsible for the content of all phone text, audio or images that they place or send over the Internet. Fraudulent, harassing or obscene messages are prohibited. All messages communicated on the Internet should have your name attached. No messages will be transmitted under an assumed name. Users may not attempt to obscure the origin of any message. Information published on the Internet should not violate or infringe upon the rights of others. No abusive, profane or offensive language may be transmitted through the system. Employees who wish to express personal opinions are to use non-Company systems.

All employees are required to be professional and conscientious at all times when using company phones. Representatives of our organization who are issued a cellular phone understand the phones are issued for business use. Employees are expected to make every effort to not exceed the current contracted allowed minutes. Cellular phone bills are reviewed when they arrive. Any employee who exceeds their contracted allowed minutes is subject to additional usage review and possible payroll deduction for any usage charges incurred.

Software Unauthorized downloading or installing of licensed software is not permitted.

Viruses To ensure a virus-free environment, no files may be downloaded from the internet without prior authorization.

Cat5 Resources Database Systems As with any and all Cat5 Resources property, database systems shall be used for the sole purpose of fulfilling the business needs of Cat5 Resources only and not for personal use.

Customer information (whether on subscribers or non-subscribers) is highly confidential and subject to Cat5 Resources' privacy policy. Access to client information is restricted and such information can be used only in a manner consistent with our privacy policy.

In the event Cat5 Resources provides a database system through which employees may post and retrieve information of a non-business nature, Cat5 Resources reserves the right to limit the retention



or discontinue such database at any time and without prior notice. Employees do not have a personal privacy right in any matter created, posted or retrieved from Cat5 Resources' database systems.

Copyright Issues Staff members while using the Internet may not transmit or redistribute copyrighted materials belonging to entities other than Cat5 Resources without expressed consent of the copyright holder. Users are not permitted to copy, transfer, rename, add or delete information or programs belonging to other users unless given express permission to do so by the owner. Failure to observe copyright or license agreements may result in disciplinary action from Cat5 Resources, up to and including immediate termination, and / or legal action by the copyright owner.

Security All messages created, sent or retrieved over the Internet are the property of Cat5 Resources, and should be considered public information. Cat5 Resources reserves the right to access and monitor all messages and files on the computer system as deemed necessary and appropriate. Internet messages are public communication and are not private. All communications including text and images can be disclosed to law enforcement or other third parties without prior consent of the sender or the receiver.

Harassment Any form of harassment is prohibited. Messages with derogatory or inflammatory remarks about an individual or group's race, color, religious creed, gender (including sex stereotyping), national origin, ancestry, citizenship status, pregnancy, physical disability, mental disability, age, uniform service member status, marital status, registered domestic partner status, medical condition (including, but not limited to, cancer related or HIV/AIDS related) or sexual orientation will not be permitted.

Monitoring and Access While Cat5 Resources will not monitor email, voicemail, database use or Internet activity as a routine matter, Cat5 Resources reserves the right to permit supervisors to review electronic communications of employees for any business purpose, or as required by law to ensure that its property is being used for business purposes only. By using Cat5 Resources' Electronic Information Systems, all employees knowingly and voluntarily consent to their usage of the systems being monitored and acknowledge and agree to Cat5 Resources' right to conduct such monitoring.

Cat5 Resources reserves the right to monitor comments or discussions about the Company, its employees and clients and the industry, including products and competitors, posted by anyone, including employees and non-employees, on the internet. Cat5 Resources uses blog-search tools and software to monitor forums such as blogs and other types of personal journals, diaries and personal and business discussion forums.

Violations To violate of any guidelines listed herein may result in disciplinary action, up to and including immediate termination. If necessary, Cat5 Resources will advise appropriate legal officials of any illegal violations.

Discipline for Violations Cat5 Resources investigates and responds to all reports of violations of the blogging rules and guidelines and other related policies. Violation of the Company's blogging rules and guidelines and other related policies. Violation of the Company's blogging policy will result in disciplinary action up to and including immediate termination. Discipline or termination will be determined based



on the nature and factors of any blog post. Cat5 Resources reserves the right to take legal action where necessary against employees who engage in prohibited, unauthorized or unlawful conduct.

Reporting Violations Cat5 Resources requests and strongly urges employees to report any violations or possible or perceived violations to supervisors, managers, or Human Resources. Violations include discussions of Cat5 Resources and its employees and clients, any discussion of confidential or proprietary Company information and any unlawful activity related to blogging.

SPECIAL RESPONSIBILITIES FOR MANAGERIAL STAFF

As with any policy, management staff is expected to serve as role models for proper compliance with the provisions above and are encouraged to regularly remind employees of their responsibilities in complying with this policy.

Violations of this policy will be subject to the highest forms of discipline, including termination.

SOCIAL NETWORKING

While Cat5 Resources encourages its employees to enjoy and make good use of their off-duty time, it is not to interfere with their on-duty time in any way. Employees are not permitted to access their social networking or blogging sites through computers or cellular devices, whether company owned or personal, while on company time.

Certain activities on the part of employees may become a concern if they have the effect of impairing the work of any employee; harassing, demeaning, or creating a hostile working environment for any employee; disrupting the smooth and orderly flow of work within the office; or harming the goodwill and reputation of Cat5 Resources among its customers or in the community at large. In the area of social media (print, broadcast, digital, and online services such as Facebook, LinkedIn, Myspace, Plaxo, and Twitter, among others), employees may use such media in any way they choose as long as such use does not produce the adverse consequences noted above. The Company reserves the right to take legal action where necessary against employees who engage in prohibited or unlawful conduct.

For this reason, Cat5 Resources encourages its employees to privacy restrict access to their personal data. Further, while Cat5 Resources does not restrict comments protected by the Stored Communications Act, it would like to remind them that the following guidelines apply in their use of social media, both on and off duty:

1. If an employee publishes any personal information, link, or photos of, or about, the employee, another employee of the organization, the company, a client, or a customer in any public medium (print, broadcast, digital, or online) that:
 - a. has the potential or effect of involving the employee, their coworkers, or the company in any kind of dispute or conflict with other employees or third parties;
 - b. interferes with the work of any employee;
 - c. creates a harassing, demeaning, or hostile working environment for any employee;
 - d. promotes an image or opinion that could lead to harassing, demeaning, or hostile activities;



- e. disrupts the smooth and orderly flow of work within the office, or the delivery of services to the company's clients or customers;
 - f. harms the goodwill and reputation of the company among its customers or in the community at large;
 - g. tends to place in doubt the reliability, trustworthiness, or sound judgment of the person who is the subject of the information;
 - h. reveals proprietary trade secrets, client information, or confidential materials in any form;
 - i. Reveals that the employee has violated a Company policy; non-approved use of the Company's name, trademarks, logos, other identifying marks, or copyright-protected material. The employee(s) responsible for such problems will be subject to counseling and/or disciplinary action, up to and potentially including termination of employment, depending upon the severity and repeat nature of the offense.
2. No employee may use company equipment or facilities for furtherance of non-work-related activities or relationships without the express advance written permission from management.
 3. Employees who conduct themselves in such a way that their actions toward and relationships with each other interfere with or damage work relationships, disrupt the flow of work or customer relations, or cause unfavorable publicity in the community, should be concerned that their conduct may be inconsistent with one or more of the above guidelines. In such a situation, the employees involved should request guidance from Human Resources to discuss the possibility of a resolution that would avoid such problems. Depending upon the circumstances, failure to seek such guidance may be considered evidence of intent to conceal a violation of the policy and to hinder an investigation into the matter.
 4. Use of social media that involves any kind of criminal activity or harms the rights of others may result in criminal prosecution or civil liability to those harmed, or both.
 5. Social media access and use involving company equipment and resources, or discussion of employees, clients, vendors, or company affiliates, are subject to the Company's "Communication Systems Policy", "Anti-Harassment Policy", and "Guidelines for Appropriate Conduct" at all times. In the event a posting or blog creates a situation surrounding one of these policies within the workplace, employees may be disciplined according to the violated policy.
 6. Employees who list Cat5 Resources as their employer should use professional discretion in their posts as it may reflect poorly on the company.
 7. Employees are encouraged to have a separate professional account which does not reflect their personal opinions if they add clients as a member, friend, follower, or connection.
 8. How an employee uses social media is not a matter of concern as long as it is consistent with the above guidelines. Employees may address any questions on this policy to Human Resources.

BLOGGING POLICY

Cat5 Resources takes no position on your decision to start or maintain a blog. However, it is the right and duty of Cat5 Resources to protect itself from unauthorized disclosure of information. The Company's blogging policy includes rules and guidelines for Company-authorized blogging and personal blogging which applies to executive officers, board members, and management and non-management employees.

Authorized Blogging The goal of authorized blogging is to become a part of the industry conversation and promote web-based sharing of ideas and exchange of information. Authorized blogging is used to



convey information about Company products and services, promote and raise awareness of the Company's brand, search for potential new markets, communicate with employees and customers to brainstorm, issue or respond to breaking news or negative publicity, and discuss corporate, business-unit and department-specific activities and events.

When blogging or using other forms of web-based forums, Cat5 Resources must ensure that use of these communications maintains our brand identity, integrity and reputation while minimizing actual or potential legal risks, whether used inside or outside the workplace.

Rules And Guidelines The following rules and guidelines apply to blogging when authorized by the employer and completed on Company time. The rules and guidelines apply to all employer-related blogs, including subsidiaries or affiliates.

Only authorized employees can prepare and modify content for the Company's blog located on Cat5Resources.com. Content must be relevant, add value and meet at least one of the specified goals or purposes listed in "Authorized Blogging." If you are uncertain of any information, material or conversation, discuss the content with your manager. All employees must identify themselves as employees of Cat5 Resources when posting comments or responses on the employer's blog.

Any copyrighted or trademarked information where written reprint information has not been obtained in advance cannot be posted on the Company's blog.

Business units and departments are responsible for ensuring all blogging information complies with the Company's written rules and guidelines for blogging. Business units and departments heads are authorized to remove any content that does not meet the rules and guidelines of the blogging policy or may be illegal or offensive. Removal of such information will be done without permission of the blogger or advance warning.

Cat5 Resources expects all guest bloggers to abide by all rules and guidelines of the Company blogging policy. The Company reserves the right to remove all guest bloggers' content considered to be inaccurate or offensive, with or without notice. Cat5 Resources also reserves the right to take legal action against guests who engage in prohibited or unlawful conduct.

Personal Blogging Cat5 Resources respects the right of employees to use blogs and does not want to discourage employees from self-publishing and self-expression. Employees are expected to follow the guidelines and policies set forth to provide a clear line between you as the individual and you as the employee. Cat5 Resources respects the right of employees to use blogs as a medium of self-expression and public conversation and does not discriminate against employees who use these mediums for personal interests and affiliations or other lawful purposes.

Bloggers are personally responsible for their commentary. Bloggers can be held personally liable for commentary that is considered defamatory, obscene, proprietary or libelous by any offended party; not just Cat5 Resources. Employees cannot use employer-owned equipment, including computers, Company licensed software or other electronic equipment, nor facilities or Company time, to conduct personal blogging.

Employees cannot use blogs to harass, threaten, discriminate, retaliate or disparage against employees or anyone associated with or doing business with Cat5 Resources.



If you choose to identify yourself as a Cat5 Resources employee, please understand that some readers may view you as a spokesperson for Cat5 Resources. Because of this possibility, we ask that you state that your views expressed in your blog are your own and not those of the Company, or of any person or organization affiliated or doing business with the Company.

If contacted by the media or press about your post that relates to Cat5 Resources business, employees are required to speak with their manager before responding. If you have any questions relating to this policy or your personal blog, ask your manager or supervisor.

Personal Websites Personal websites have become prevalent methods of self-expression in our culture. Cat5 Resources respects the right of employees to use this medium during their personal time. If an employee chooses to identify himself or herself as a Cat5 Resources employee on a website, he / she must adhere of the following guidelines:

- Make it clear to the readers that the views expressed are the employee's alone and that they do not necessarily reflect the views of Cat5 Resources.
- Do not disclose any information that is confidential, copyrighted, trademarked or proprietary to Cat5 Resources or to any third party that has disclosed information to the Company. Consult the Company's confidentiality policy for guidance about what constitutes confidential and proprietary information. See Compliance with any questions
- Uphold the Company's value of respect for the individual and avoid making defamatory statements about Cat5 Resources employees, clients, partners, affiliates and others, including competitors.

TAPE RECORDING POLICY

It is a violation of Cat5 Resources policy to record conversations with a tape recorder or other recording device unless prior approval is received from your supervisor or a member of upper-level management or all parties to the conversations give their consent.

The purpose of this policy is to eliminate a chilling effect on the expression of views which may exist when one person is concerned that his/her conversation with another is being secretly recorded. This concern can inhibit spontaneous and honest dialogue especially when sensitive or confidential matters are being discussed. Violation of this policy will result in disciplinary action up to and including termination.

EMAIL ETIQUETTE

The elements of this code of good practice for email are as follows:

- Check your email regularly; ignoring a mail message is discourteous and confusing to the sender.
- Always reply, even if a brief acknowledgment is all you can manage, there is still sufficient unreliability about email transmissions to create doubt in the mind of the sender that you ever received it.
- Reply promptly. Email systems often do not have the conventional "pending" trays of the desktop, or assistants to remind you, so it may be easier to forget about an email message



- Develop an orderly electronic filing system for those email messages you wish to keep; delete unwanted ones to conserve disk space.
- Treat the security of email messages about the same as a message on a postcard; i.e., recognize that anyone along the chain of distribution could get to see what you have said, and it might even end up in someone else's hands. If you have sensitive messages to send, use some encrypting (known only to you and the recipient), or use some other more secure medium.
- Be very careful how you express yourself, especially if you feel heated about the subject (for instance if you are shooting off a quick response to some issue). Email lacks the other cues and clues that convey the sense in which what you say is to be taken, and you can easily convey the wrong impression.
- Do not extract and use text from someone else's message without acknowledgement. This is plagiarism. You would not do this with conventional mail, so do not let the ease of being able to do it with email lead you into bad habits
- Do not make changes to someone else's message and pass it on without making it clear you have made the changes. This would be misrepresentation.
- Do not pretend you are someone else when sending email, e.g., by using someone else's account to send it, even if by accident such as when you are lent the account (note that it is not advisable that people lend accounts in the first place).
- Try to keep email messages fairly brief. Most people would not choose a computer screen to read text on in preference to a printed document, and it can get very tiring for some users.
- Make sure that the "subject" field of your email message is meaningful. Where someone receives many messages, it can be very confusing and frustrating not to be able to judge the subject matter correctly from its subject field.
- Try to restrict yourself to one subject per message, send multiple messages if you have multiple subjects.
- Do not broadcast email messages unnecessarily. It is very easy to do, but can be very annoying to recipients who have no interest in your message.
- Do not sent frivolous, abusive or defamatory messages. Apart from being discourteous or offensive, they may break the law and violate the Company's policies.
- Be tolerant of other persons' mistakes.
- Make arrangements for your email to be forwarded to someone to handle when you go away, or turn your out of office on.
- Encourage others to communicate with you via email. Ensure you give them the correct email address.
- Remember, sending an email from your account is similar to sending a letter on the Company letterhead, so do not say anything that might bring discredit or embarrassment to your employer

VOICEMAIL POLICY

Every Cat5 Resources employee is responsible for using the voicemail system properly and in accordance with this policy. Any questions about this policy should be addressed to the Human Resources Department.



The voicemail system is property of Cat5 Resources. It has been provided by the Company for use in conducting company business. All communications and information transmitted by, received from, or stored in this system are company records and property of Cat5 Resources. This system is to be used for company business purposes only. Use of the voicemail system for personal purposes is prohibited.

Employees have no right of personal privacy in any matter stored in, created, received, or sent over the Cat5 Resources voicemail system.

CUSTOMER RELATIONS

The company strives to consistently provide clients with a product and service that is of exceptional quality and value.

To realize our commitment, we expect the following from each of our employees:

- Provide courteous service in a prompt and efficient manner.
- Establish and maintain positive relationships with clients by gaining their trust and respect through professional, honest interaction.
- Handle complaints quickly and professionally. Never argue with a client. If you are unable to resolve the complaint to the client's satisfaction, review the situation with your supervisor.
- Communicate with clients in a professional manner whether in person, over the phone, or via e-mail.

Always remember that you are Cat5 Resources to our clients and our reputation and the client's perception of the company is attributed to each employee.

COMPANY PROPERTY AND EQUIPMENT

In an effort to ensure the safety and welfare of employees and invitees, Cat5 Resources reserves the right, on reasonable suspicion that company policy is being violated, to conduct searches or inspections which includes, but is not limited to, employee's work area, desks, and any other property located on company premises or work sites. Entry on company premises or work sites constitutes consent to searches or inspections.

Company owned equipment essential in accomplishing job duties is expensive and may be difficult to replace. When using company property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines. In the event an employee loses keys to the facility and the doors must be re-keyed, the cost for re-keying the agency may be deducted from the employee's paycheck per the Wage Deduction and Authorization Agreement.

Please notify your Supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repairs. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The Supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job. Stealing company equipment is not tolerated and any employee found stealing company equipment will be terminated immediately.



The improper, careless, negligent, destructive, or unsafe use or operation of equipment can result in disciplinary action, up to and including termination of employment.

VISITORS IN THE WORKPLACE

To provide for the safety and security of employees and the facilities at our company, only authorized visitors are allowed in the workplace. Restricting unauthorized visitors helps maintain safety standards, protects against theft, ensures security of equipment, protects confidential information, safeguards employee welfare, and avoids potential distractions and disturbances.

We welcome immediate family accompanied by the employee to visit the company's offices. However, it is important that the employee respect the needs of other employees and not disrupt their productivity.

All visitors should enter at the main entrance. Authorized visitors should always be escorted by a staff member. Employees are responsible for the conduct and safety of their visitors.

If an unauthorized individual is observed on company premises, employees should immediately notify their supervisor or, if necessary, direct the individual to the main entrance.

CHILDREN IN THE WORKPLACE

Cat5 Resources values family and work/life balance. Our employment policies and benefits are indicative of our beliefs. Cat5 Resources believes in an environment that is conducive to work; therefore, the workplace should not be used in lieu of childcare.

It is inappropriate for minor children and other minor relatives of employees to be in the workplace during business hours. The policy has been implemented to minimize potential liability to Cat5 Resources, risk of harm to children and decreased employee productivity due to distractions and disruptions.

This policy is not intended to prohibit children or other minors and family members from being in the workplace during Company-sponsored events. Exceptions to this policy are permitted under extenuating circumstances and written approval from the Human Resource Department. Cat5 Resources is sensitive to our employees' child-related circumstances; however, Cat5 Resources cannot permit children to remain in the workplace because of the legal liability. As necessary, managers and supervisors may grant leave at their discretion in emergency or unforeseen circumstances.

SMOKING

Cat5 Resources is a smoke-free environment and discourages employees from smoking off premises due to health related issues caused by smoking. The Company has a responsibility to provide a workplace free from exposure to hazardous substances and materials. In order to maintain a safe and comfortable working environment and to ensure compliance with applicable laws, smoking on company property is strictly prohibited including and not limited to the following areas:

- All areas of buildings or land owned or leased by the company
- All company-sponsored off-site conferences, meetings or social events



- All company-owned vehicles
- On or near any company owned property

Because Cat5 Resources may be subject to criminal and civil penalties for violations of applicable smoking laws, we must insist on strict adherence to this policy. Employees smoking in any non-smoking area may be subject to disciplinary action, up to and including termination. Smoking is meant to include electronic and vapor cigarettes.

It is critical that breaks taken for smoking in no way interfere with business or the employee's responsibility to the company's clients. Further, employees are not allowed to smoke while in the presence of a client.

Please contact your on-site supervisor or the Human Resources Department if you have any questions regarding the smoking policy. Complaints regarding violations of this policy may be filed under the company's complaint resolution procedure.

WEAPONS

It is the intent of Cat5 Resources to provide a safe and secure workplace for employees, clients, visitors and others with whom we do business. The company has "zero tolerance" for and expressly forbids the possession of any type of unauthorized weapon (except for tools supplied by the company for utility purposes), firearm, explosive, or ammunition on company property. This includes, but is not limited to, all company facilities, vehicles, and equipment, whether leased or owned by Cat5 Resources or its clients. In addition, firearms in employee-owned vehicles parked on company property are strictly governed by state laws. Employees must adhere to client regulations regarding weapons on worksites.

Such possession as described above may be cause for discipline including immediate termination of employment. In enforcing this guideline, Cat5 Resources reserves the right to request inspections of any employee and their personal effects, including personal vehicles while on company premises, as permissible by state law. Any employee who refuses to allow inspection will be subject to the same disciplinary action as being found in possession of firearms.

Employees within the company share the responsibility of identifying violators of this guideline. An employee who witnesses or suspects another individual of violating this guideline should immediately report this information to his supervisor.

TRAVEL

Cat5 Resources reimburses employees for the expenses of travel, including the cost of transportation, meals, lodging, and compensation when appropriate, provided such travel is approved and performed in the course of conducting Cat5 Resources business. All expenses for travel must be submitted on a weekly basis per the expense procedure.

Activities that normally justify the reimbursement of travel expenses include calling on clients, prospects, and suppliers and the attendance at business meetings, conventions, and seminars or other selected educational functions related to the employee's job.



Employees who are selected to deploy during a disaster are chosen due to their knowledge of the company's product and business. It is required that employees attend all management identified functions while out of town in attendance. Failure to do so will result in use of the employee's available paid time off for the event(s) missed, performance management, and omission from future events for a period of up to six months.

Common carrier transportation will be utilized for trips, provided suitable scheduling is available. Employees are expected to exercise prudence in their selection of local transportation to their destination. When practical, employees are expected to use a Cat5 Resources or personal car for short distance travel.

Air Travel All travel shall be at the lowest applicable rate on all flights. Travel will be via airlines that offer the most economical fare based on the schedule criteria of the traveler. Specify only a departure and arrival time and city without regard for the airline or specific flights. Carrier selection will be based on cost and schedule; no preference of carriers is authorized based on frequent flier mileage programs. Accept connecting flights that are reasonable in the judgment of the traveler.

All employees normally are expected to travel coach or economy class and to stay and eat in moderately priced establishments while traveling on Cat5 Resources business.

Ground Travel Airport buses are encouraged for transfers to and from the airports. In major metropolitan areas, consideration should be given to the use of cabs as a less expense alternative to car rental.

Car Rental Employees are authorized to rent cars when necessary. To insure that the proper class of car is available upon arrival, reservations should be made in advance using corporate contract car rental agencies (Enterprise/National).

The size and type of vehicle rented depends on the terrain, weather, number of occupants, and so forth. And is at the discretion of the traveler. However, luxury and sports car upgrades are not appropriate.

Travelers should decline Collision Damage Waiver ("CDW"), Personal Accident Insurance ("PAI"), and Supplemental Liability Insurance ("SLI") from the car rental agency. The Human Resources Department should be notified as soon as possible regarding any accident. Additionally, an Incident Report form must be completed within 24 hours.

To avoid the high refueling charges of car rental agencies, rental cars should be returned to the rental agency with a full tank of gas, unless the agency has a cheaper option. Auto rentals are paid using the direct billing option or company credit card when booking the reservation.

Lodging Employees are to make use of the Company's Corporate Lodging Account (CLC). Luxury hotels should be avoided unless they are associated with a meeting or convention being held on the premises.

The decision on where to stay should be based on proximity of the business being transacted and cost. Staying at a hotel strictly for the purpose of accruing frequent flyer miles is not permissible.

Meals Cat5 Resources will reimburse the employee for reasonable meal costs for three meals a day while the employee is away from home overnight on company business.



Non-exempt employees will be compensated for time spent traveling per the Travel Pay policy within the Hours of Operation section of this Handbook.

COMPANY VEHICLES AND/OR PERSONAL VEHICLES FOR COMPANY USE

Company vehicles include vehicles owned, leased, or rented for business needs. The use of Cat5 Resources' vehicles are limited to authorized employees only. These vehicles must only be used in work-related activities and may not be used for personal business or activities without the express prior approval of management.

Cat5 Resources will reimburse the employee for business use of his/her personal automobile at the applicable Internal Revenue Service (IRS) rate per mile reimbursable for tax purposes. All mileage must be reported on the expense report form. Business purpose and locations visited must be detailed. Proof of mileage must be attached. Online maps such as MapQuest, are accepted as proof.

Cat5 Resources expressly forbids operating any vehicle for company business, whether company or personally owned, while intoxicated.

Employees who are authorized to drive company vehicles or their own personal vehicle for business needs must possess a current, valid driver's license and an acceptable driving record. Employees must obtain any specific, state-required permits or licenses necessary to operate company vehicles.

Any change in license status or driving record must be reported to the Management immediately.

From time to time, our insurance carrier will request reports from the relevant government agencies regarding the license status and driving record of employees whose job responsibilities include driving. In the event that the license status or driving record of any employee whose job responsibilities include driving becomes unacceptable to management or insurance carrier, that employee may be restricted from driving, reassigned, suspended, or terminated, at management's discretion.

Vehicle accidents can be costly from the standpoint of human injury, lost working time, vehicle repair, and higher insurance premiums. The purpose of this policy is to set minimum qualifications for employees driving for the organization and standards for vehicle operation.

Driver Qualifications

An employee can operate a vehicle on the behalf of the company only if he is:

- Acting at the direction, and with the explicit permission, of the company;
- Age 21 or older for office staff and 21 or older for drivers;
- A holder of no more than one driver's license;
- A holder of a valid license for the class of vehicle in question; and
- Otherwise qualified under federal and state regulations to drive the vehicle in question.

General Driving Requirements

While operating a personal or company owned vehicle on business, employees must:

- Possess a valid driver's license;



- Observe applicable speed limits at all times;
- Obey all traffic rules and regulations;
- Not use cell phones while driving without hands free device;
- Drive defensively and anticipate driving hazards, such as bad weather and bad drivers; and
- Report any accidents in which they are involved to the police and their Supervisor/Team Leader.

Employees authorized to drive their own personal vehicle on company time must maintain adequate liability insurance at all times.

Disqualifying Driving Records

Employees driving for the organization can be required to show they have an acceptable driving record.

The following driving violations are unacceptable:

- Driving a motor vehicle under the influence of alcohol, a controlled substance, or any drug that impairs driving ability;
- Refusing to submit to a test to determine alcohol concentration while driving a motor vehicle;
- Using a motor vehicle in the commission of any felony;
- Leaving the scene of an accident unlawfully;
- Committing more than one major traffic offense over the past 24 months, including reckless driving, careless driving, or a major moving traffic infraction;
- Receiving a felony revocation of driving privileges or felony or misdemeanor driver license suspension within the last 24 month; or
- Transporting a controlled substance unlawfully.

Safety Belts

Drivers and passengers in all vehicles used for business needs must wear safety belts.

- Any personal or company owned vehicle in which a safety belt is inoperable cannot be used until the seat belt is repaired. Employees who discover an inoperable restraint system must report the defect to the appropriate Supervisor. Prompt action must be taken to replace or repair the system.

Accidents

In general, the following requirements apply:

- Employees must report traffic accidents to the local police and then their Supervisor in a timely manner.
- Employees are prohibited from signing or making any statements regarding their responsibility or fault for a traffic accident that occurs while they are driving a company owned vehicle. Employees should avoid explaining or describing the accident to anyone except public safety personnel, their Supervisor, or the claims adjuster or attorney for Cat5 Resources' insurance company.



- Employees must obtain names, addresses, phone numbers, and license numbers of the other drivers involved. Employees also must collect insurance company contact information and the address and phone number of the police department where the accident report will be prepared.

Discipline

Employees who drive negligently or fail to comply with this policy are subject to immediate discipline, up to and including termination of employment.



LEAVE OF ABSENCE POLICIES

FAMILY AND MEDICAL LEAVE ACT (FMLA)

Employees may be entitled to a leave of absence under the Family and Medical Leave Act (FMLA). This policy provided employees with information concerning FMLA entitlements and obligations employees may have during such leaves. If employees have any questions concerning FMLA leave, they should contact the Human Resources Department.

Eligibility

FMLA leave is available to “eligible employees”. To be an eligible employee, an employee must:

- Have been employed by Cat5 Resources for at least twelve (12) months (which need not be consecutive)
- Have been employed by Cat5 Resources for at least 1,250 hours of service during the 12-month period immediately preceding the commencement of the leave
- Be employed at a worksite where fifty (50) or more employees are located within seventy-five (75) miles of the worksite

Entitlements

The FMLA provides eligible employees with a right to leave, health insurance benefits and, with some limited exceptions, job restoration. The FMLA also entitles employees to certain written notices concerning their potential eligibility for and designation of FMLA leave.

The FMLA provides eligible employees up to twelve (12) work weeks of unpaid leave for certain family and medical reasons during a 12-month period. The 12-month period is determined based on a rolling 12-month period measured backward from the date an employee uses his/her FMLA leave. Leave may be taken for any one, or for a combination, of the following reasons:

- To care for the employee’s child after birth or placement for adoption or foster care
- To care for the employee’s spouse, son, daughter or parent (but not in-law) who has a *serious health condition*
- For the employee’s own “serious health condition” (including any period of incapacity due to pregnancy, prenatal medical or childbirth) that makes the employee unable to perform one or more of the essential functions of the employee’s job
- Because of any “qualifying exigency” arising out of the fact that an employee’s spouse, son, daughter or parent is a covered military member on active duty, or has been notified of an impending call or order to active duty status in the National Guard or Reserves in support of contingency operation. This leave is also available for family members of active duty service members.

A “serious health condition” is an illness, injury, impairment or physical or mental condition that involves either an overnight stay in a medical care facility, or a continuing treatment by a Healthcare provider for a condition that either prevents the employee from performing the functions of the employee’s job, or prevents the qualified family member from participating in school or other daily activities. Subject to certain conditions, the continuing treatment requirement may be met by a period of incapacity of more than three (3) consecutive calendar days combined with at least two (2) visits to a



Healthcare provider, or one (1) visit and a regimen of continuing treatment, or incapacity due to pregnancy, or incapacity due to a chronic condition. Other conditions may meet the definition of continuing treatment.

“Qualifying exigencies” may include attending certain military events, arranging for alternative childcare, addressing certain financial and legal arrangements, attending certain counseling sessions and attending post-deployment reintegration briefings.

Additional Military Family Leave Entitlement (Injured Servicemember Leave)

In addition to the basic FMLA leave entitlement discussed above, an eligible employee who is the spouse, son, daughter, parent or next of kin of a covered servicemember is entitled to take up to twenty-six (26) weeks of leave during a single 12-month period to care for the servicemember with a serious injury or illness. Leave to care for a servicemember shall only be available during a single 12-month period, when combined with other FMLA-qualifying leave, may not exceed twenty-six (26) weeks during the single 12-month period. The single 12-month period begins on the first day an eligible employee takes leave to care for the injured servicemember.

A “covered servicemember” means a member of the Armed Forces, including a member of the National Guard or Reserves, who is undergoing medical treatment, recuperation or therapy, is otherwise in outpatient status or is on the temporary retired list, for serious injury or illness, or who was a member of the Armed Forces (including members of the National Guard or Reserves) at any time during the five years preceding the date of treatment, recuperation or therapy. A member of the Armed Forces would have a serious injury or illness if he/she has incurred an injury or illness in the line of duty while on active duty in the Armed Forces provided that the injury or illness may render the servicemember medically unfit to perform duties of the member’s office, grade, rank or rating.

Intermittent Leave and Reduce Leave Schedules

FMLA leave usually will be taken for a period of consecutive days, weeks or months. However, employees also are entitled to take FMLA intermittently or on a reduced leave schedule when medically necessary due to a serious health condition of the employee or covered family member or the serious injury or illness of a covered servicemember.

No Work While on Leave

Employees are not permitted to work while on FMLA leave. In addition, the taking of another job while on family/medical leave or any other authorized leave of absence is grounds for termination, to the extent permitted by law.

Protection of Group Health Insurance Benefits

During FMLA leave, eligible employees are entitled to receive group health plan coverage on the same terms and conditions as if they had continued to work.

Restoration of Employment and Benefits

At the end of FMLA leave, subject to some exceptions including situations where job restoration of “key employees” will cause Cat5 Resources substantial and grievous economic injury, employees generally



have a right to return to the same or equivalent positions and equivalent pay, benefits and other employment terms. Cat5 Resources will notify employees if they qualify as “key employees”, if it intends to deny reinstatement, and of their rights in such instances. Use of FMLA leave will not result in the loss of any employment benefit that accrued prior to the start of an eligible employee’s FMLA leave.

Notice of Eligibility for, and Designation of, FMLA Leave

Employees requesting FMLA leave are entitled to receive written notice from Cat5 Resources telling them whether they are eligible for FMLA leave and, if not eligible, the reasons they are not eligible.

When eligible for FMLA leave, employees are entitled to receive written notice of:

- Their rights and responsibilities in connection with such leave
- The Company’s designation of leave as FMLA-qualifying or non-qualifying, and if not FMLA-qualifying, the reasons why
- The amount of leave, if known, that will be counted against the employee’s leave entitlement

Cat5 Resources may retroactively designate leave as FMLA leave with appropriate written notice to employees provided the Company’s failure to designate leave as FMLA-qualifying at an earlier date did not cause harm or injury to the employee. In all cases where leaves qualify for FMLA protection, Cat5 Resources and the employee can mutually agree that leave be retroactively designated as FMLA leave.

Employee FMLA Obligations

Employees who take FMLA leave must timely notify Cat5 Resources of their need for FMLA leave. The following describes the content and timing of such employee notices.

Content of Employee Notice

To trigger FMLA leave protections, employees must inform the Human Resources Department of the need for FMLA-qualifying leave and the anticipated timing and duration of the leave, if known.

Employees may do this by either requesting FMLA leave specifically, or explaining the reasons for leave so as to allow Cat5 Resources to determine that the leave as FMLA-qualifying. For example, employees might explain that:

- A medical condition renders them unable to perform the functions of their job
- They are pregnant or have been hospitalized overnight
- They or a covered family member are under the continuing care of a Healthcare provider
- The leave is due to a qualifying exigency caused by a covered military member being on active duty or called to active duty status
- If the leave is for a family member, that the condition renders the family member unable to perform daily activities or that the family member is a covered servicemember with a serious injury or illness

Calling in sick, without providing the reasons for the needed leave, will not be considered sufficient notice for FMLA leave under this policy. Employees must respond to the Company’s questions to determine if absences are potentially FMLA-qualifying.

If employees fail to explain the reasons for FMLA leave, the leave may be denied. When employees seek leave due to FMLA-qualifying reasons for which the Company has previously provided FMLA-protected leave, they must specifically reference the qualifying reason for the leave or the need for FMLA leave.



Timing of Employee Notice

Employees must provide thirty (30) days' notice of the need to take FMLA leave when the need is foreseeable. When thirty (30) days' notice is not possible, or the approximate timing of the need for leave is not foreseeable, employees must provide Cat5 Resources notice of the need for leave as soon as practicable under the facts and circumstances of the particular case. Employees who fail to give thirty (30) days' notice for foreseeable leave without a reasonable excuse of the delay, or otherwise fail to satisfy FMLA notice obligations, may have FMLA leave delayed or denied.

FMLA Leave Forms

Please see the Human Resources Department for all FMLA forms.

Cooperate in the Scheduling of Planned Medical Treatment (Including Accepting Transfers to Alternative Positions) and Intermittent Leave or Reduced Leave Schedules

When planning medical treatment, employees must consult with Cat5 Resources and make a reasonable effort to schedule treatment so as not to unduly disrupt the Company's operations, subject to the approval of an employee's Healthcare provider. Employees must consult with Cat5 Resources prior to scheduling treatment to work out a treatment schedule that best suits the needs of both Cat5 Resources and the employees, subject to the approval of an employee's Healthcare provider. If employees providing notice of the need to take FMLA leave on an intermittent basis for planned medical treatment neglect to fulfill this obligation, Cat5 Resources may require employees to attempt to make such arrangements, subject to the approval of the employee's Healthcare provider.

When employees take intermittent or reduced work schedule leave for foreseeable planned medical treatment for the employee or a family member, including during a period of recovery from a serious health condition or to care for a covered servicemember, Cat5 Resources may temporarily transfer employees, during the period that the intermittent or reduced leave schedules are required, to alternative positions with equivalent pay and benefits for which the employees are qualified and which better accommodate recurring periods of leave.

When employees seek intermittent leave or a reduced leave schedule for reasons unrelated to the planning of medical treatment, upon request, employees must advise Cat5 Resources of the reason why such leave is medically necessary. In such instances, the Company and employee shall attempt to work out a leave schedule that meets the employee's needs without unduly disrupting the Company's operations, subject to the approval of the employee's Healthcare provider.

Submit Medical Certifications Supporting Need for FMLA Leave (Unrelated to Requests for Military Family Leave)

Depending on the nature of the FMLA leave sought, employees may be required to submit medical certifications supporting their need for FMLA-qualifying leave. As described below, there are generally three types of FMLA medical certifications: an initial certification, a recertification, and a return to work/fitness for duty certification.

It is the employee's responsibility to provide Cat5 Resources with timely, complete and sufficient medical certifications. Whenever the Company requests employees to provide FMLA medical



certifications, employees must provide the requested certifications within fifteen (15) calendar days after the Company's request, unless it is not practicable to do so despite an employee's diligent, good faith efforts. Cat5 Resources shall inform employees if submitted medical certifications are incomplete or insufficient and provide employees at least seven (7) calendar days to cure deficiencies. Cat5 Resources will deny FMLA leave to employees who fail to timely cure deficiencies or otherwise fail to timely submit requested medical certifications.

With the employee's permission, Cat5 Resources (through individuals other than an employee's direct supervisor) may contact the employee's Healthcare provider to authenticate or clarify completed and sufficient medical certifications. If employees choose not to provide Cat5 Resources with authorization allowing it to clarify or authenticate certifications with Healthcare providers, Cat5 Resources may deny FMLA leave if certifications are unclear. Whenever Cat5 Resources deems it appropriate to do so, it may waive its right to receive timely, complete and/or sufficient FMLA medical clarifications.

Initial Medical Certifications

Employees requesting leave because of their own, or a covered relative's, serious health condition, or to care for a covered servicemember, must supply medical certification supporting the need for such leave from their Healthcare provider or, if applicable, the Healthcare provider of their covered family or servicemember. If employees provide at least thirty (30) days' notice of medical leave, they should submit the medical certification before leave begins. A new initial medical certification will be required on an annual basis for serious medical conditions lasting beyond a single leave year.

If Cat5 Resources has reason to doubt the initial medical certifications, it may require employees to obtain a second opinion at the Company's expense. If the opinions of the initial and second Healthcare providers differ, Cat5 Resources may, at its expense, require employees to obtain a third, final and binding certification from a Healthcare provider designated or approved jointly by Cat5 Resources and the employee.

Medical Re-certifications

Depending on the circumstances and duration of FMLA leave, Cat5 Resources may require employees to provide recertification of medical conditions giving rise to the need for leave. The Company will notify employees if recertification is required and will give employees at least fifteen (15) calendar days to provide medical recertification.

Return to Work/Fitness for Duty Medical Certifications

Unless notified that providing such certification is not necessary, employees returning to work from FMLA leaves that were taken because of their own serious health conditions that made them unable to perform their jobs, must provide Cat5 Resources medical certification confirming they are able to return to work and the employee's ability to perform the essential functions of the employee's position, with or without reasonable accommodation. Cat5 Resources may delay and/or deny job restoration until employees provide return to work/fitness for duty certifications.



Submit Certifications Supporting Need for Military Family Leave

Upon request, the first time employees seek leave due to qualifying exigencies arising out of the active duty or call to active duty status of a covered military member, the Company may require employees to provide:

- A copy of the covered military member's active duty orders or other documentation issued by the military indicating the covered military member is on active duty or call to active duty status and the dates of the covered military member's active duty service.
- Certification from the employee setting forth information concerning the nature of the qualifying exigency for which leave is requested.

Employees shall provide a copy of new active duty orders or other documentation issued by the military for leaves arising out of qualifying exigencies arising out of a different active duty or call to active duty status of the same or a different military member.

When leave is taken to care for a covered servicemember with a serious injury or illness, Cat5 Resources may require employee to obtain certifications completed by an authorized Healthcare provider of the covered service member. In addition, and in accordance with FMLA regulations, Cat5 Resources may request that the certification submitted by employees set forth additional information provided by the employee and/or the covered service member confirming entitlement to such leave.

Substitute Paid Leave for Unpaid FMLA Leave

Employees must use any accrued PTO while taking unpaid FMLA leave. The substitution of paid time for unpaid FMLA leave time does not extend the length of FMLA leave and the paid time will run concurrently with an employee's FMLA entitlement.

Leaves of absence taken in connection with a disability leave plan or worker's compensation injury/illness shall run concurrently with any FMLA leave entitlement. Upon written request, Cat5 Resources will allow employees to use accrued paid time to supplement any paid disability benefits.

Pay Employee's Share of Health Insurance Premiums

During FMLA leave, employees are entitled to continued group health plan coverage under the same conditions as if they had continued to work. Unless Cat5 Resources notifies employees of other arrangements, whenever employees are receiving pay from the Company during FMLA leave, Cat5 Resources will deduct the employee portion of the group health plan premium from the employee's paycheck in the same manner as if the employee was actively working.

If FMLA leave is unpaid, employees must pay their portion of the group health premium through a method determined by Cat5 Resources.

The Company's obligation to maintain Healthcare coverage ceases if an employee's premium payment is more than thirty (30) days late. If an employee's payment is more than fifteen (15) days late, Cat5 Resources will send a letter notifying the employee that coverage will be dropped on a specified date unless the co-payment is received before the date. If employees do not return to work within thirty (30) calendar days at the end of the leave period (unless employees cannot return to work because of a serious health condition or other circumstances beyond their control), they will be required to



reimburse Cat5 Resources for the cost of the premiums Cat5 Resources paid for maintaining coverage during their unpaid FMLA leave.

Exemption for Highly Compensated Employees

Cat5 Resources may choose not to return highly compensated employees (highest paid ten percent (10%) of employee's at a worksite or within seventy-five (75) miles of that worksite) to their former or equivalent positions following leaves if restoration of employment will cause substantial economic injury to Cat5 Resources. The fact-specific determination will be made by Cat5 Resources on a case-by-case basis. Cat5 Resource will notify you if you qualify as a highly compensated employee, or intends to deny reinstatement, and of your rights in such instances.

Questions and/or Complaints about FMLA Leave

If you have any questions regarding this FMLA policy, please contact the Human Resources Department. Cat5 Resources is committed to complying with the FMLA and, whenever necessary, shall interpret and apply this policy in a manner consistent with FMLA.

The FMLA makes it unlawful for employers to interfere with, restrain or deny the exercise of any right provided under FMLA, or discharge or discriminate against any person for opposing any practice made unlawful by FMLA or involvement in any proceeding under or relating to FMLA. If employees believe their FMLA rights have been violated, they should contact the Human Resources Department immediately. Cat5 Resources will investigate any FMLA complaints and take prompt and appropriate remedial action to address and/or remedy any FMLA complaint.

Coordination of FMLA Leave and Other Leave Policies

The FMLA does not affect any federal, state or local law prohibiting discrimination, or supersede any state or local law, which provides greater family or medical leave rights. For additional information concerning leave entitlements and obligations that might arise when FMLA leave is either not available or exhausted, please consult the Company's other leave policies in this Handbook or contact Human Resources.

PERSONAL NON-FMLA LEAVE OF ABSENCE

Until such time that Cat5 Resources is subject to FMLA, the following policy is applicable.

Exempt employees may be granted a leave of absence, at management's sole discretion, to attend to personal matters in situations which Cat5 Resources determines that an extended period of time away from the job will be in the best interest of the employee and Cat5 Resources and will not negatively impact business operations. Requests for leave, and extensions due to extenuating circumstances, will be considered on a case by case basis and in accordance with all applicable laws and regulations.

Leave Process

Requests for a leave of absence or any extension of a leave should be submitted in writing to the employee's supervisor 30 days prior to commencement of the leave period, or as soon as practicable. Management will make the final decision concerning the request by determining if the requested leave would negatively impact business operations. Cat5 Resources requires you to substitute any accrued



paid time off while on leave. All employees on approved leave are expected to report any change of status in their need for leave or their intention to return to work to their supervisor. While on leave, employees are required to provide bi-weekly reports of their status and intent to return to work.

An employee who takes leave for the employee's own serious medical condition or to care for a family member with a serious medical condition must submit a written medical certification of the need for such leave from the applicable health care provider.

Employees on an authorized personal leave of absence may not perform work for any other employer that is considered by Cat5 Resources to be an actual or potential conflict of interest.

Benefits

Cat5 Resources offers employee paid short-term disability benefit coverage, accidental, hospital confinement, cancer and others through Colonial Life to all full-time employees. When applicable, if elected, short term disability replaces a percentage of your weekly salary in the event you are unable to work for several weeks due to illness, injury or child birth. Eligibility, payment amounts and duration of payment is determined by the short term disability provider, not Cat5 Resources. Cat5 Resources will continue health insurance and other benefits to employees on leave so long as the employee accepts accountability to pay the full employee portion upon return. Benefits that accrue according to length of service, such as paid time off, do not accrue during periods of leave.

Return from leave

Employees returning from a leave for pregnancy or personal illness must provide a job-related release indicating their ability to perform the functions of their job. Any restrictions related to the reason for the employee's leave must be included on this release. Cat5 Resources will do a case-by-case evaluation for an employee's ability to return to work with the noted restrictions, including whether or not an accommodation will be needed or can be made by the company.

Leaves of absence or extensions of existing leaves of absence for an employee's own disability will be considered in accordance with the business's obligations under the Americans with Disabilities Act. For more information about leaves under these circumstances, please contact your Human Resources Department.

It is possible that an employee returning from a leave of absence may not be returned to the same job position that he/she held before taking leave. If an employee fails to return to work at the conclusion of an approved leave of absence, including any extension of the leave time, the employee will be considered to have voluntarily terminated employment with Cat5 Resources.

If you have any questions regarding this policy, please contact your Human Resources department.

MILITARY LEAVE OF ABSENCE

A leave of absence without pay for military or reserve duty is granted to full-time regular and part-time regular employees. If an employee is called to active military duty or the reserve or National Guard training, or if an employee volunteers for the same, the employee should submit copies of military



orders to the on-site supervisor as soon as possible. The employee will be granted a military leave of absence without pay for the period of military service, in accordance with applicable federal and state laws. If the employee is a reservist or a member of the National Guard, the employee is granted time off without pay for required military training. The employee may, however, use any accrued but unused vacation time or PTO. Eligibility for reinstatement after military duty or training is completed is determined in accordance with applicable federal/state laws.

Short Term Military Leave

Employees who must be absent from their job for a period of no more than ten (10) working days each year in order to participate in temporary military duty are entitled to as many as ten (10) days paid military leave. All benefits will continue during an employee's short-term military leave.

For short-term military leaves of absence, it is understood that the employee will return to full duty as the first shift or work day of their normal schedule immediately following the leave.

Extended Military Leave

Employees directed to participate in extended military duties in the U.S Armed Forces that exceed ten (10) working days will be placed on an unpaid military leave of absence status for a period of up to five (5) years and will be entitled to certain rights and benefits. The first ten (10) days of Extended Military Leave, if not already paid to employee under short-term military leave during the current calendar year, will be compensable as paid military leave. It is your duty to request information from the Company with regard to these rights and benefits.

Employees on extended military leave may, at their option, use any or all accrued paid time off or personal leave, if applicable, during their absence.

For extended military leaves of absence, when the employee is returned to civilian status and intends to return to work, he or she must notify Human Resources within thirty (30) days of discharge.

Benefits

All benefits plans, in force at the time of extended military leave, will suspend on the day the employee becomes eligible for military benefits or active military, whichever comes first. When an employee is released for full duty and returns to the Company, benefits in force at the time of return to full employment will be reinstated with no waiting periods.

Procedures

The employee will provide his/her immediate supervisor with written notice that the employee will be engaging in active military service. Employees are requested to provide such notice as soon as they have knowledge of their upcoming military service.

If the employee does not return to work, the supervisor must notify Human Resources as soon as they are aware that the employee is not returning so that appropriate action may be taken.



Reinstatement

An employee is responsible for contacting the Company to request reinstatement. Should an employee not contact the Company within thirty (30) days of discharge, the employee will not be eligible for reinstatement.

Upon an employee's prompt request for reinstatement, an employee will be reinstated to the same or substantially equivalent position to what the employee held just prior to military leave as long as none of the following apply:

- The Company's circumstances have changed so as to make reemployment impossible or unreasonable
- The employee's employment prior to the military service was for a non-recurrent period and there was no reasonable expectation that the employment would have continued indefinitely or for a significant period
- The employee did not receive an honorable discharge from military service

BEREAVEMENT LEAVE

All regular, full-time employees are eligible for bereavement leave. Eligible employees who wish to take time off due to the death of an immediate family member or close friend should notify their supervisor immediately. Paid time off will be granted, of up to three days for an immediate family member to allow the employee to attend the funeral and make any necessary arrangements associated with the death. One day will be granted for non-immediate family members. Two additional days may be granted at management's discretion if extensive travel is required. Unpaid time off will be allowed for close friends. Cat5 Resources defines "immediate family" as the employee's parent, spouse, partner, child, sibling, or comparable step or in-law relation.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisors' approval, use any available paid leave for additional time off as necessary or time off for the bereavement of close friends.

Your immediate family is limited to your:

- Spouse
- Children or step-children
- Parents, father/mother-in-law or step parents
- Grandparents (including in-laws), step grandparents
- Siblings, sister/brother-in-law
- Grandchild, step grandchild

JURY DUTY AND WITNESS LEAVE

If a full-time regular employee is summoned to jury duty, they will be paid up to three days per year and then able to use available paid leave and/or take time off without pay; paid in accordance with state and federal laws. Employees must notify their supervisor as soon as it is known jury duty will be extended. An employee is also permitted to retain the allowance he receives from the court for such service.

A non-full-time regular employee will be given time off without pay while serving jury duty.



All employees are allowed time off if summoned to appear in court as a witness and may use available paid leave and/or take time off without pay; paid in accordance with state and federal laws. To qualify for jury or witness duty leave, an employee may be asked to submit to his supervisor a copy of the summons as soon as it is received. In addition, proof of service may be submitted to the employee's supervisor when the period of jury or witness duty is completed.

In the event you are summoned to appear in court as a plaintiff defendant, witness, or for any other court ordered appearance, other than at the request of, on behalf of, and in defense of the Company, you will not receive paid time off. If you are party to any violation of law or lawsuit you initiated requiring court attendance, you are not covered under this policy.

WORKERS' COMPENSATION INSURANCE

To provide for payment of employee medical expenses and for partial salary continuation in the event of work-related accident or illness, employees are covered by workers' compensation insurance provided by company or based on state regulations.

The amount of benefits payable and the duration of payment depend upon the nature of the employee's injury or illness. All medical expenses incurred in connection with an on-the-job injury or illness and partial salary payments are paid in accordance with applicable state law.

If an employee is injured or becomes ill on the job, they must immediately report such injury or illness to the on-site supervisor. This ensures the company can help obtain appropriate medical treatment. An employee's failure to follow this procedure may result in the appropriate workers' compensation report not being filed timely in accordance with the law, which may delay benefits in connection with the injury or illness. Questions regarding workers' compensation insurance should be directed to the on-site supervisor or Cat5 Resources Workers' Compensation Department.

EMPLOYEE BENEFITS AND SERVICES

The organization is concerned about your health and financial well-being and intends to design a benefits package to address this concern. It will be designed to be consistent with other company objectives.

When applicable, management will periodically review the benefits package to assure that we remain current in this area as an employer. It will make every effort to offer benefits on a continuing basis; however, there is no guarantee that the benefits described in this Handbook will continue to be offered. The management team also reserves the right to modify benefits. In the event that a benefit is added, withdrawn, or modified, you will be notified through normal communications channels. All Cat5 benefits may be changed or eliminated, at any time at Cat5 Resources sole discretion.

GROUP INSURANCE

Cat5 Resources is committed to the health and well-being of our employees and their families. Through this philosophy, the Company offers all regular full-time employees participation in a major medical, dental, and vision plan at minimal cost to the employee. Cat5 Resources will pay \$400/month per



employee towards employee only coverage. Eligible employees may purchase dependent coverage at the cost of the required premiums. The cost of health care services, if elected, will be deducted each pay period directly from the employees check. You will become eligible for coverage on the first day of the month following sixty (60) days of full-time employment. The company also provides each employee, regardless if health benefits are elected, a \$10,000 life insurance policy through Assurant. For further information regarding insurance benefits, please see the Benefit Summary provided to you by your HR department.

HOLIDAYS

Regular full-time employees are eligible for paid holidays during each calendar year. A paid holiday does not count as a day worked in calculating overtime for the week. To receive holiday pay, a non-exempt employee must work the regularly scheduled workday before and after the holiday, unless the employee is on a scheduled day of vacation or has a doctor's note excusing them from work. Should the employee be unable to work either of these two days because of illness, proof of illness will be required in order to qualify for the paid holiday. All full-time, active employees will receive eight (8) hours holiday pay for their normally scheduled workday paid at their regular rate.

Cat5 Resources observes nine holidays each year:

- New Year's Day - January 1st
- Good Friday
- Memorial Day - Last Monday in May
- Independence Day - July 4th
- Labor Day - First Monday in September
- Thanksgiving Day and following day - Fourth Thursday and Friday in November
- Christmas Eve and Christmas Day – December 24 and December 25th

Should an exempt employee work on a scheduled holiday, the employee may take a paid floating holiday at a later time. Non-exempt employees who work a scheduled holiday will be paid time and a half for such day worked and allowed to take a paid floating holiday at a later time.

Should the holiday fall on a weekend, the holiday "observed" will be the closest business day available to it (i.e. the holiday falls on a Saturday, it will be "observed" on the Friday prior.)

In the event of a disaster requiring Cat5 Resources' services, all deployed employees will be expected to report to work on any effected holiday. An alternate day off in observance of the missed holiday or payment at the employee's straight pay rate will be determined at management's discretion.

PAID TIME OFF POLICY FOR NON-EXEMPT AND FIELD TECHNICIAN EMPLOYEES

Paid Time Off (PTO) provides you with the flexibility to use your time off to meet your personal needs, while recognizing your individual responsibility to manage your paid time off.

All non-exempt and field technician employees will accumulate a specified amount of PTO each pay period worked and it is up to you to allocate how you will use it – for vacation, illness, caring for children, school activities, medical/dental appointments, leave, personal business or emergencies. The company may require you to use any unpaid PTO during disability or family medical leave or any other



leave of absence. All PTO requests must be made in writing to your immediate supervisor at the earliest time available. All PTO requests are subject to the needs of Cat5's business and may or may not be granted by your supervisor.

PTO does not replace the Company's holiday schedule. We will continue to have our designated paid holidays each year.

Eligibility

You are eligible to receive PTO if you are a full-time non-exempt hourly employee or field technician scheduled to work an average of 32 hours per week.

Accrual Schedule for Existing Full-Time Non-Exempt Employees and Field Technicians

Existing full-time non-exempt and field technician employees from January 1, 2015 will start the 2015 year of employment with 120 hours of PTO in their bank. Once your bank has been depleted, you will have no more time off with pay available until the next calendar year.

Accrual Schedule for New Full-Time Non-Exempt Employees and Field Technicians

New full-time non-exempt and field technician employees starting employment with Cat5 on or after January 1, 2015 will start the accrual process on the first day of the month following their 60th day of employment with Cat5 Resources. The standard 120 hours of accruing PTO will be prorated for the months of actual accrual time within your first calendar year.

Deposits into Your PTO Account

The amount of PTO you accrue each year is to be used in that calendar year and will not carry over to the next year without management's written permission and at no time will an employee be authorized to carry more than 32 hours into the next calendar year. You will not accrue PTO time while you are on leave of absence or suspension by the Company. All requests for PTO carry over to the next calendar year is solely at the discretion of Cat5's management team. Pay out of unused PTO is not a Cat5 Resources policy, however executive management has the right, at their sole discretion, to approve such pay out.

Termination

You will not be paid for accrued unused PTO when you leave the Company.

Management of PTO

You are responsible for managing your PTO account. It is important that you plan ahead for how you will use it. This means developing a plan for taking your vacations, as well as doctor's appointments and personal business. It also means holding some time in "reserve" for the unexpected, such as emergencies and illnesses.

Notice and Scheduling

You are required to provide your manager with at least a two (2) weeks advance notice and obtain approval prior to using PTO. This allows for you and your manager to prepare for your time off and assure that all staffing needs are met.



There may be occasions, such as sudden illness, when you cannot notify your manager in advance. In those situations, you must inform your manager of your circumstances as soon as possible.

Recording Paid Time Off

You must complete an Absence Request Form for all time off and PTO time used. We are required to track absences or illness, and work related illness/injury for legal compliance reasons.

When returning from sick leave or any other unplanned absence, you must complete and submit the absence request form the day you return to work. All forms should be approved by your manager and turned in to Human Resources. Please remember weekly timesheets are due to accounting by noon on Monday morning so please give your manager time to meet that deadline. Failure to follow this process will result in nonpayment of PTO.

The amount of PTO accrued will appear on your electronic paycheck stub, which you will receive from the designated payroll provider, each pay period.

VOTING

It is the policy of Cat5 Resources to permit employees to be absent from work to vote in local, state or national elections. Employees who cannot reach their polling place outside of work hours will be permitted paid time off to vote. The time off to vote may not exceed two hours. Evidence of voter registration and voting may be required.



HANDBOOK ACKNOWLEDGMENT

I acknowledge that I have received Cat5 Resources Employee Handbook ("the Handbook"), dated December 2014, and understand that violations of the policies contained in the Handbook could result in disciplinary action, up to, and including, termination.

I understand, and have been given the opportunity to request clarification for, the policies contained within Cat5 Resources' Employee Handbook, including, but not exclusive to:

- Business Ethics and Conduct
- Anti-Harassment Policy
- Guidelines for Appropriate Conduct
- Employee Safety and Health
- Workplace Accidents
- Drug Free Workplace Policy
- Complaint Resolution Procedure
- Communications Policy
- Social Networking Policy

I understand that in the event my employment terminates, my final paycheck may include deductions for any outstanding company property, employee loans, or paid, but unearned, vacation.

I further understand that the information contained in the Handbook represents guidelines for Cat5 Resources and that the company reserves the right to modify the Handbook or amend or terminate any policy, procedure, or employee benefit program at any time.

This employee handbook was provided to me as a guide and does not create either an express or implied contract of employment of any specific duration. I understand that employment at-will means that either Cat5 Resources or I have the right to terminate my employment at any time and for any reason not otherwise prohibited by law.

I further understand that no manager, supervisor, or representative of Cat5 Resources, other than the CEO, has any authority to enter into any agreement guaranteeing employment for any specific period of time. I also understand that any such agreement, if made, will not be enforceable unless it is in writing and signed by both parties. I also understand that an agreement made by the CEO of Cat5 Resources is not binding on company unless it is agreed to in writing by the CEO.

I further understand that if I have any questions about the interpretation or application of any policies contained in the Handbook, I should direct these questions to the Human Resources.

Employee Signature

Date

Name Printed

Social Security Number (Last 4 Digits Only)

Please sign and keep a copy of this acknowledgment for your records.