



Employee Handbook

Revised February 2012



Table of Contents

Policies	Page No.	Revision No.	Effective Date
1.0 Introduction			
1.1 Quality Policy Statement			
1.2 At-Will Employment			
1.3 Employee Equal Opportunity			
1.4 Anti-Harassment			
1.5 Protection of Confidential and Proprietary Information			
2.0 Health, Safety, and Environmental Policies			
2.1 Anti-Drug and Alcohol Abuse			
2.2 Fit-For-Duty			
2.3 Workplace Violence			
3.0 Employment Practices			
3.1 Employee Classifications			
3.2 Recruiting			
3.3 Service Recognition			
3.4 Work Schedules			
3.5 Shift Exchange			
3.6 Attendance and Punctuality			
3.7 Performance Evaluations			
3.8 Discipline			
3.9 Terminations			
3.10 Recordkeeping			
4.0 Standards of Conduct			
4.1 Code of Conduct			
4.2 Conflict of Interest			
4.3 Ethical Conduct			
4.4 Personal Appearance			
4.5 Computer, Electronic Mail and Internet Usage			
4.6 Personal Property			
4.7 Company Property			
5.0 Compensation and Benefits			



5.1 Pay			
5.2 Payroll Advance			
5.3 Holidays			
5.4 Personal Leave			
5.5 Sick Leave			
5.6 Jury Duty			
5.7 Military Leave Plan			
5.8 Bereavement			
5.9 Family and Medical Leave			
6.0 Department Contacts			
7.0 Forms			



1.0 Introduction

Within the Employee Handbook, the reference to the COMPANY (Company) shall include Little Red Services and all subsidiaries. Unless otherwise stated within the scope of a particular policy, these policies apply to all employees of the Company, except those with employment agreements that may govern the terms and conditions of employment. Such agreements can only be entered into by the President or Board of Directors.

The objectives of this Employee Handbook are to establish Company requirements, programs and, as applicable, reflect current State and Federal law. The Company reserves the right to make any changes to the Employee Handbook at any time as business conditions dictate. Copies of this document are uncontrolled and may not reflect the most recent policies.

The current controlled version of the Employee Handbook can be accessed on the Little Red Services SharePoint site: www.littleredservices.com.

The Employee Handbook is not intended to be an all-inclusive document and is not to be considered a contract which alters or modifies the “employment-at-will” relationship between the employee and the Company.

Doug Smith
President & CEO

Joe Curgus
Vice President, Operations

Greg Johnson
Vice President, Operations



1.1 Quality Policy Statement

1.1.1 Policy

Little Red Services will:

- Consistently deliver projects and services safely, on time, within budget, to specified quality and environmental standards, and meet or exceed customer expectations.
- Communicate to all employees the importance of meeting customer, statutory, and regulatory requirements.
- Conduct audits and management reviews of this program sufficient to ensure effective implementation, conformance to current requirements, continued suitability, and regular revision to incorporate improvement initiatives.
- Provide all resources necessary to ensure effective implementation of this program.

1.1.2 Statement of Commitment

Delivery of products and services that conform to customer, statutory, and regulatory requirements and meet or exceed customer expectations is a condition of employment at Little Red Services.

Doug Smith
President & CEO

Joe Curgus
Vice President, Operations

Greg Johnson
Vice President, Operations



1.2 At-Will Employment

1.2.1 Policy

Your employment with the Company is voluntary and subject to termination by you or Little Red Services at will, with or without cause, and with or without notice, at any time. Nothing in these policies shall be interpreted to be in conflict with or to eliminate or modify in any way the employment-at-will status of Little Red Services employees.

This policy of employment-at-will may not be modified by any officer or employee and shall not be modified in any publication or document. The only exception to this policy is a written employment agreement approved by the President or Board of Directors.



1.3 Equal Employment Opportunity

1.3.1 Policy

The Company provides equal employment opportunities (EEO) to all employees and applicants for employment without regard race, color, religion, gender, national origin, sexual orientation, age, disability, genetic information, familial status (including pregnancy, marital status and parenthood), or status as a covered veteran in accordance with applicable federal, state and local laws. The Company complies with applicable state and local laws governing non-discrimination in employment in every location in which the Company operates. This policy applies to all terms and conditions of employment, including, but not limited to, hiring, placement, promotion, compensation, transfer, training, leaves of absence, layoff, and termination.

The Company is committed to the fair and equal employment of people with disabilities. Reasonable accommodation is key to this non-discrimination policy. While many individuals with disabilities can work without accommodation, other qualified applicants and employees face barriers to employment without the accommodation process. The Company will reasonably accommodate qualified individuals with disabilities unless the accommodation would impose an undue hardship on the Company.



1.4 Anti-Harassment

1.4.1 Policy

The Company is committed to providing an environment free of workplace harassment. Workplace harassment is a form of misconduct that undermines the employment relationship. No employee, either male or female, should be subjected verbally or physically to workplace harassment. The Company will not tolerate any form of abuse or harassment toward employees, contractors, suppliers, customers, or others.

1.4.2 Workplace Harassment

Is defined as a form of offensive treatment that to a reasonable person creates an intimidating, hostile, or abusive work environment. It may be sexual, racial, based on national origin, age, sexual orientation, gender, disability, family status (including pregnancy, marital status, or parenthood), military or veteran status, or religion. Workplace harassment can also be verbal or physical behavior that is derogatory, abusive, disparaging, bullying, threatening or disrespectful.

1.4.3 Sexual Harassment

The Equal Employment Opportunity Commission defines sexual harassment as unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature when:

- submission to such conduct is made either explicitly or implicitly a term or condition of your employment;
- submission to or rejection of such conduct by you is used as the basis for employment decisions affecting you;
- such conduct has the purpose or effect of unreasonably interfering with your work performance or creating an intimidating, hostile or offensive working environment.

This form of behavior is personally offensive, debilitates morale and, therefore, interferes with work effectiveness and productivity. Behavior that amounts to workplace harassment will result in disciplinary action, up to and including termination.

1.4.4 Employer's Responsibility

The Company is committed to have a work environment free of workplace harassment by management personnel, your coworkers, and others with whom you must interact with in the course of your work as a Company employee. Sexual harassment is specifically prohibited as unlawful and a violation of Company policy. The Company is responsible for preventing workplace harassment, for taking immediate corrective action to stop workplace harassment and for promptly investigating any allegations of work related harassment. A



Anti-Harassment

supervisor that knows of or could reasonably be expected to know of the occurrence of workplace harassment and fails to take immediate and specific action to address the issue will be subject to discipline, up to and including termination.

1.4.5 Complaint Procedure

If you experience or witness workplace harassment, report it immediately to your supervisor, the Operations Manager or the Vice President of Operations. You may also report harassment to any other member of Executive Management. All allegations of workplace harassment will be promptly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of that investigation.

1.4.6 Retaliation Prohibited

The Company will not permit employment-based retaliation against anyone who brings a complaint of workplace harassment or who speaks as a witness in the investigation of a complaint of workplace harassment.

1.4.7 Penalties

Workplace harassment will not be tolerated. If an investigation of any allegation of workplace harassment shows that harassing behavior has occurred, the harasser will be subject to disciplinary action, up to and including termination.



1.5 Protection of Confidential and Proprietary Information

1.5.1 Policy

The Company's intent is to safeguard confidential and proprietary Company information. Accordingly, employees are expected to not disclose any confidential or proprietary information to third parties without specific authorization. Confidential and proprietary information may include personnel information, bill rate schedules, certain policies and other documents important to the profitable operation of the Company. Based on job function or other criteria as determined at the sole discretion of the Company, selected employees may be required to sign a Confidentiality Agreement.

1.5.2 Forms

Employee Confidentiality Agreement



2.0 Health, Safety, and Environmental

2.0.1 Policy

This policy covers all Company operations in Alaska. We are fully committed to our corporate goals: no accidents, no harm to people and no damage to the environment. To meet the goals of this policy, the Company will:

- Expect all personnel to demonstrate commitment and leadership in health, safety, and environmental (HSE) protection. Managers at all levels will consider safety and environmental issues as the primary focus when making business decisions which may impact these critical areas.
- Openly listen and respond to the concerns of employees, customers, neighbors, government agencies and the public regarding relevant HSE aspects of our operations.
- Consistent with the corporate goal of no accidents, no harm to people, and no damage to the environment, all employees should feel comfortable to stop work without fear of reprisal.
- Provide employees with a safe place to work, clear expectations regarding HSE requirements and the necessary training to perform their jobs.
- Work closely with our customers to contribute effectively to their HSE programs and compliance efforts.
- Require those directly supporting our operations to meet or exceed applicable legislation, regulations, and industry standards, in addition to Company requirements.
- Maintain a commitment to incident and pollution prevention and to continual improvement in HSE performance.
- Set annual HSE objectives and targets and openly report our performance to our employees, customers, and other interested parties.
- Audit to ensure compliance with this policy and take corrective action where appropriate.
- Make available appropriate resources to implement this policy.

Doug Smith
President & CEO

Joe Curgus
Vice President, Operations

Greg Johnson
Vice President, Operations



2.1 Anti-Drug and Alcohol Abuse

2.1.1 Policy

The Company promotes the principals of a drug free work environment because safety and job productivity are of the utmost importance to our customers, officers, directors, and employers.

The use, possession, manufacture, distribution, dispensation, sale or storage of illegal drugs on Company premises is strictly prohibited. Off-the-job use of drugs or alcohol which would adversely affect work performance and safety of the employee or others is prohibited.

All applicants are required to take a drug test as a condition of initial employment. Random drug testing will be conducted throughout the course of the year. An employee may be required to take a drug or alcohol test based on reasonable suspicion the employee is in violation of the Drug and Alcohol program. Post-accident drug and alcohol testing following any “accident” is mandatory.

Personnel confirmed positive on a Non-DOT or DOT drug test, or a blood alcohol test with results greater than .02 will be grounds for immediate termination. A confirmed adulterated or substituted test sample or refusal to submit to testing is grounds for immediate termination.

The Company conducts operations that fall under Non-DOT, Federal Motor Carrier Safety Administration (FMCSA), and DOT Pipeline and Hazardous Materials Safety (PHMSA) applications. The Company’s policy reflects the greater level of either DOT standard where any differences might exist.

A copy of the Company’s complete Drug and Alcohol program is provided to each employee at the time of hiring and is available upon request from the NS HSE Coordinator. Copies of the full Little Red Service Non-DOT, FMCSA, and PHMSA policies are available on the company website at www.littleredservices.com.

2.1.2 Forms

Previous Employer Drug and Alcohol Test Information

FMCSA Drug and Alcohol Acknowledgement Form



2.2 Fit for Duty

2.2.1 Policy

As part of the company's commitment to ensuring a safe and healthy workplace for all employees, Little Red Services utilizes a fit-for-duty program to ensure that employees are physically capable of performing the essential or critical job functions of their current position or the position for which they are being hired.

The company has contracted to have comprehensive physical and functional assessments conducted by certified licensed physical and occupational therapists. Testing can be conducted at one of several testing facilities located across the United States. A current list of available testing facilities can be obtained from the HSE department.

There are three circumstances in which functional testing may be required:

- Post-offer, pre-placement functional examinations (for new hires) and
- Fit-For-Duty functional examinations for return to work after an injury or illness.
- At the discretion of LRS, additional Fit-For-Duty testing may be conducted to ensure the employee does not pose a risk to themselves or others.

Functional assessments are conducted based on the physical requirements detailed in the prospective or current employee's job description.

2.2.2 Post-offer, pre-placement functional examinations (for new hires)

Successful completion of the functional testing evaluation is required prior to hire and placement at the worksite. Failure of the test may disqualify the employee from the position offered and may result in the retraction of the offer of employment.

If the prospective employee is unable to perform or complete the test due to history of recent surgery, medical procedure, current medical condition and/ or symptom presentation, the employee will have up to 14 days to return and complete the test. If the employee is unable to complete the test after 14 days, the company has, at its discretion, the option of rescinding the offer of employment or rescheduling the test for another time.

2.2.3 Fit-For-Duty functional examinations for return to work cases after an injury, illness or for cause.

Little Red Services may require Fit-For-Duty testing for employees returning to duty from surgery, extended leaves of absence or for other circumstances raising a reasonable question as to the employee's physical ability to safely perform his/her job functions without endangering the safety of the employee or others.



2.2 Fit for Duty

The employee must have a medical clearance from an M.D. to return to duty before the functional testing will be conducted.

2.2.4 Fit-For-Duty Examination for return to duty -

Absences that will require a Fit-For-Duty test -

- After an absence from work following an injury or illness that affects, or could affect, the employee's physical capacity: i.e musculo-skeletal, cardio-vascular, or other situations that could affect the employee's physical ability to perform the essential functions of the job;
- After a leave of absence greater than 90 days.

2.2.5 Fit-For-Duty Examination for Cause / Suspicion of Inability to Work Safely:

Additionally, Fit-For-Duty testing will be required when there is suspicion or evidence of an employee's inability to perform their job functions safely without placing themselves or others at risk.

EEOC has provided the following guidelines for conducting a Fit-For-Duty Examination on incumbent employees:

- Following a request for an accommodation or accommodations;
- Observance of performance problems related to a known medical condition.
- Observance of symptoms indicating possible medical condition that threatens safety;
- Receipt of "reliable information" that an employee has a medical condition that threatens safety.
- Following return from leave when employer has belief reason to believe that employee's ability may be impaired and threatens the safety of himself/ herself or others.

Examples of Observations that Form a Basis for a Fit-for-Duty Evaluation on an Incumbent Employee:

1. When an employee shows signs of unusual fatigue such as a need to take an excessive number of breaks, loss of breath, labored or difficult breathing, excessive perspiration and abnormal change in skin color (blanched, reddened or bluish changes in skin) while performing routine job duties.
2. When an employee is noted to be unable to generate enough strength to lift, carry, push or pull on materials or tools that are



2.2 Fit for Duty

essential and required for job necessity and are typically performed by one person without seeking assistance.

3. When an employee's physical condition or status changes and this forces him/her to begin using unsafe body mechanics to handle materials despite repeated instructions/training to correct body mechanics (Note: Poor body mechanics may be a form of compensation for inadequate strength).
4. When an employee reports unexplained symptoms such as muscle pain, chest pain, dizziness, nausea, numbness, pins and needles sensation etc. during or following work-related exertion;
5. When an employee is unable to perform certain job duties due to unusual soreness or discomfort caused from normal work activities.
6. When an employee frequently misses work for illness or other medical problems.
7. When an employee is unable to safely climb stairs or ladders without becoming excessively winded, unable to maneuver the body through portholes, escape hatches, cramped work areas, confined spaces, narrow walkways, etc.
8. When an employee is noted to have altered balance and/or coordination that places the person at risk for injury to self or others.
9. When a person displays altered cognitive functions such as loss of memory, inability to follow directions, disorientation, etc that places the person at risk for injury to self or others.
10. When an employee demonstrate tremors, seizures or other uncontrolled movements of the body that places the person at risk for injury to self or others;
11. Taking medication to control pain or treat a condition that increases risk of injury;

2.2.6 Evaluation and Results

The Fit-For-Duty evaluation will not be conducted for the purposes of diagnosis and treatment, but rather for purposes of determining an employee's ability to perform the essential functions of the job. The evaluator will issue a summary report of the overall result of the evaluation to include the following:

- A conclusion regarding the determination of fitness for duty;



2.2 Fit for Duty

- A description of the nature and extent of any functional limitations on the employee’s ability to perform his or her job;
- A description of the expected duration of each such functional limitation;
- In the event that the test was unable to be performed, the specific reason and recommended followup action.

The results of the evaluation will be treated as confidential and will be shared only with the employee or the employee’s designated representative, company representatives who need to know the results for legitimate business purposes, or other entities as required by law. However, where the employee has placed at issue his or her medical history, mental or physical condition, or treatment, relevant information may be used and disclosed by the company in connection with such proceedings.

2.2.7 Accommodations for Job Placement

If the employee does not pass the fit-for-duty evaluations and he/she feels that the basis of the failure is related to any type of disability, the employee may contact Little Red Services and request a review of the test results for possible accommodations. Little Red Services will review the case in full compliance with all state and federal laws and if the employee is protected for a disability, the employee will be required to participate in an interactive process to discuss possible accommodations. Little Red Services will determine if any accommodations are available to the employee which will allow for job placement.

2.2.8 Forms

Post Offer Health Questionnaire



2.3 Workplace Violence

2.3.1 Policy

The Company's objective is to provide a work environment that is free of negative or dangerous behavior. To ensure that the Company maintains a safe, respectful, and productive work environment, employees must understand and abide by all provisions of this Workplace Violence policy.

2.3.2 Prohibited Conduct

The Company does not tolerate any type of workplace violence committed by or against employees. Employees are prohibited from making threats or engaging in violent activities.

This list of behaviors, while not inclusive, provides examples of conduct that is prohibited:

- Causing physical injury to another person or assault such as shoving or hitting.
- Making threatening remarks.
- Aggressive or hostile behavior that creates a reasonable fear of injury to another person or subjects another individual to emotional distress.
- Intentionally damaging Company or customer, property or property of another employee.
- Possession of a weapon while on Company or customer property or while on Company business.
- Committing acts motivated by, or related to, sexual harassment or domestic violence.
- Loud angry outbursts (yelling, shouting) or obscenities directed at other employees, as well as non-employees on Company or customer premises.

2.3.3 Reporting Procedures

Any potentially dangerous situations must be reported immediately to a supervisor, security if available, the Vice President of Operations, Field Operations Manager, or HSE Manager, as appropriate. Reports can be made anonymously and all reported incidents will be investigated. Reports or incidents warranting confidentiality will be handled appropriately and information will be disclosed to others only on a need-to-know basis. The Company will actively intervene at any indication of a possibly hostile or violent situation.



2.3 Workplace Violence

2.3.4 Risk Reduction

While we do not expect employees to be skilled at identifying potentially dangerous persons, employees are expected to exercise good judgment and to inform their supervisor, security, or the HSE Director if any employee exhibits behavior, which could be a sign of a potentially dangerous situation. Such behavior may include:

- Discussing illegal use of weapons or bringing weapons into the workplace.
- Displaying overt signs of extreme stress, resentment, hostility, or anger.
- Making threatening remarks.
- Sudden or significant deterioration of performance.
- Displaying irrational or inappropriate behavior.

2.3.5 Dangerous/Emergency Situations

Employees who confront or encounter an armed or dangerous person should not attempt to challenge or disarm the individual. If a supervisor or security can be safely notified of the need for assistance without endangering the safety of the employee or others, such notice should be given. In all situations, if violence appears to be imminent, employees should take precautions to ensure their own safety and the safety of others.

2.3.6 Enforcement

Threats, threatening conduct, or any other acts of aggression or violence in the workplace will not be tolerated. Any employee determined to have committed such acts will be subject to disciplinary action, up to and including termination. Non-employees engaged in violent acts on the employer's premises will be reported to the proper authorities and denied future access to Company premises.



3.0 Employment Practices

3.0.1 Policy

The Company has established certain staffing management practices, ranging from recruiting to termination, to guide managers, supervisors and employees in all aspects of the employment relationship.



3.1 Employee Classifications

3.1.1 Policy

Company employees must be classified as full-time, part-time, or temporary and as exempt or nonexempt for the purposes of compensation administration. In addition, the Company will classify employees as either Anchorage-based or Field employees.

3.1.2 Classifications

3.1.2.1 Exempt. An employee who is exempt from the overtime pay provisions of the Fair Labor Standards Act, as amended, and the Alaska Wage and Hour Act.

3.1.2.2 Non-Exempt. An employee who is eligible for overtime pay under the provisions of the Fair Labor Standards Act, as amended, and/or the Alaska Wage and Hour Act.

3.1.2.3 Full-Time Employees. An employee who works at least 40 hours per week (exclusive of overtime) on a continuing basis is considered a full-time employee.

3.1.2.4 Part-Time Employees. An employee who works at least 20 hours per week, but less than 40 hours per week, on a continuing basis is considered to be a part-time employee.

3.1.2.5 Temporary Employees. A temporary or casual employee meets one of the following criteria: (i) works either full-time or part-time for a specified length of time or for a specific short-term project, usually less than one year; (ii) works on a casual, on-call basis with no set schedule and no guaranteed number of hours per week; or (iii) usually works less than 20 hours per week. Employees in this class may be eligible for overtime pay as provided by the Fair Labor Standards Act and/or the Alaska Wage and Hour Act.

3.1.2.6 Anchorage-Based Employees. An employee who works in the Anchorage office on a regular basis, usually Monday through Friday, is an Anchorage-based employee.

3.1.2.7 Field Employees. An employee who works a rotational shift schedule, generally two weeks on, two weeks off, is a Field employee.

3.1.3 Forms

Employee Information Form



3.2 Recruiting

3.2.1 Policy

The Company will endeavor to fill positions with the most qualified candidates available.

All position openings will have an approved job description prior to recruitment. All applicants will be required to complete a Company Employment Application.

At the discretion of the Executive Team, position openings may be advertised locally, regionally and/or nationally.

Applicants may be required to submit to a background check, including review of driving history and qualifications.

Qualified candidates may be required to complete a post-offer health questionnaire and fit-for-duty examination prior to hiring.

3.2.2 Forms

Job Description (position specific)

Employment Application

Background Check Authorization

Post Offer Health Questionnaire



3.3 Service Recognition

3.3.1 Policy

This policy is established to address service and benefit eligibility for employees who transfer between Little Red Services and its subsidiaries and sister companies or who are rehired into the Company.

3.3.2 Transfers

Employees transferring from positions that are not eligible for all benefits, such as Paid Time Off for North Slope assignments, accruals will start the first full pay period after the effective date of transfer. The accrual rate will be based on total Company service.

3.3.3 Rehires

Employees who are rehired within six (6) months of a break in service will be allowed to use total Company service for limited purposes. Paid Time Off accrual, if eligible, will begin the first full period after date of rehire and accrual rates will be based on total recognized service, so long as the break in service is no more than six (6) months.

For benefits eligibility purposes, Employees who are rehired on or after the first of the month following a break in service will be considered the same as a new hire and will not be eligible for prior service recognition for purposes of insured benefit participation.



3.4 Work Schedules

3.4.1 Policy

Anchorage-based employees are expected to work between 8:00 a.m. and 5:00 p.m., unless otherwise approved by the Anchorage Office Manager. Each Anchorage-based employee approved for an alternative schedule should try to be as consistent with that schedule as possible.

Field employees will generally work at least a 12-hour shift, generally starting at 6:00 a.m. or 6:00 p.m., and ending at 6:00 p.m. or 6:00 a.m., respectively.

Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

If you desire a work schedule other than the regular schedule, please talk to your supervisor regarding flexibility in scheduling. Requests for flexible schedules will be dealt with on a case by case basis, and the Company retains complete discretion to grant or deny such requests. Flexible schedules must be approved in advance.



3.5 Shift Exchanges/ Swaps

3.5.1 Policy

Subject to Management's discretion, and so long as the Company's business needs will be met, employees are allowed to exchange a portion of their scheduled rotation with another employee given the following conditions:

- The employee that is arranged to cover the rotation is qualified and authorized to fill the position that is being covered;
- The original scheduled employee is "paying back" the covered time either directly with the replacing employee or under an agreement with the supervisor to be available to pick up replacement shifts at the need of the company;
- The shift change does not cause either employee to work more than 3 weeks with at least 1 week off, or 4 weeks with at least 2 weeks off except by specific approval by the Prudhoe Bay or Kuparuk Field Operations Manager;
- The shift change is approved by the Field Operations Manager prior to changing any flights;

If the employee has a need for time off for personal reasons and is unable to find a suitable replacement, the employee should contact their supervisor for assistance. Consideration for the severity of the need for the time off, the availability of coverage and other company needs will be considered in the available assistance.

3.5.2 Holiday Schedule Swaps

Company policy regarding scheduling of shifts around the winter holidays is that between the 2 alternates, the one that was required to work over Christmas Day has priority in timing a change in schedules to allow them the holidays off the next year.

In the event that both alternates worked the previous holidays, they are encouraged to find a workable schedule that may incorporate other needs earlier in the year to their best benefit.

Alternates are expected to work together to find a mutually beneficial timing for the rotation swap.

If a workable agreement between alternates cannot be found, the Field Operations Manager will have the authority to make the final decision.



3.6 Attendance and Punctuality

3.6.1 Policy

Regardless of an employee's position within the Company, punctuality and regular attendance are essential for the efficient operation of the Company's business. Absenteeism and tardiness that are excessive in the judgment of the Company will not be tolerated.

Any employee who will be late for work or will be absent from work (other than due to pre-approved vacation leave), is required, prior to his or her starting time, to notify his or her supervisor.

Late arrival, early departure, and other personal absences are disruptive and should be avoided, and may lead to disciplinary action, up to and including termination.

The Company requires a doctor's certificate to verify any absence attributed to illness.

Attendance and punctuality are considered, along with work performance, in granting pay raises, promotions or transfers.



3.7 Performance Evaluations

3.7.1 Policy

Continuing evaluation of employee performance is an important management responsibility. The Company uses written performance evaluations.

A Field employee will receive a performance evaluation within the employee's first 180 days of employment. An Anchorage-based employee will receive a performance evaluation within the employee's first 90 days of employment.

In addition to these evaluations, the following circumstances require written evaluations:

- (a) When there is a significant change, for better or worse, in the employee's work performance.
- (b) When, in the employee's or supervisor's judgment, there is a reason for preparing an interim performance evaluation report.

The employee's job description is the standard for the performance evaluation. Evaluations will be prepared and signed by the supervisor, shared with the employee for signature, and signed by the supervisor's superior.

Employees may receive periodic counseling statements, as the needs arise, to ensure employee know and are adhering to Company standards.

3.7.2 Forms

Field Evaluation (6 month)

Anchorage Evaluation (3 month)

Counseling Statement



3.8 Discipline

3.8.1 Policy

The Company supports the use of progressive discipline to address conduct issues such as poor work performance or misconduct and to encourage employees to become more productive workers and conform their behavior to Company standards and expectations. However, the use of and level of discipline will be at Company discretion and the Company reserves the right to take whatever disciplinary measures it deems appropriate to address issues of performance and disruptive and/or inappropriate behavior. Each situation will be dealt with on an individual basis.

Certain violations of law, Company policies, or professional work standards may be cause for immediate disciplinary action against any employee. A supervisor may take action in the form of an oral or written reprimand, placing the employee on disciplinary probation, or immediate dismissal.

An employee can be placed on disciplinary probation if the employee's performance, attitude, attendance or conduct is not deemed acceptable by the supervisor. Such an employee shall be given a written notice from his or her supervisor stating that the employee is being placed on formal disciplinary probation and such notice shall also indicate the reasons for the action, the length of time for the probation period, and the expected improvements. At the end of the probationary period, the supervisor will conduct a special performance evaluation. If the results are unsatisfactory, the probation period may be extended, not to exceed a total of six months, or the employee may be demoted or dismissed.

All personnel actions will be documented, with an explanation for the actions, and placed in the employee's personnel file.

Nothing in this policy eliminates or modifies in any way the at-will employment status of Little Red Services employees.

3.8.2 Forms

Personnel Action Notice (PAN)

Personal Improvement Plan (PIP)



3.9 Termination

3.9.1 Policy

It is Company policy to ensure that employee terminations from employment are handled in a professional manner.

- For voluntary termination/resignation, an employee is expected to give written notice to the appropriate supervisor at least two weeks before the intended termination date.

- An employee absent from work for three consecutive workdays and who fails to contact his or her supervisor is deemed to have abandoned the job.

- All involuntary terminations, including layoffs, must be approved in advance by the Vice President of Operations and the appropriate Field Operations Manager.

3.9.2 Forms

Personnel Action Notice (PAN)



4.0 Standards of Conduct

4.0.1 Policy

It is the responsibility of every employee to be aware of and abide by Company rules and regulations including, but not limited to, those established in this Handbook



4.1 Code of Conduct

4.1.1 Policy

The Company has established general guidelines to govern the conduct of employees. The Company reserves the right to determine the appropriate level of discipline for any inappropriate behavior, including but not limited to demotion, oral and written warnings, suspension, and termination. No list of rules can include all instances of conduct that can result in discipline and the examples below do not replace sound judgment or common sense behavior.

1. Creating conflict with supervisors, coworkers and others.
2. Smoking in non-smoking areas.
3. Causing damage to equipment or using co-worker, Company, or customer equipment or property without authorization.
4. Violation of the Company Drug and Alcohol Policy.
5. Violating any safety procedure or rule such as failure to wear proper personal protective equipment.
6. Failure to report personal injuries or damage to Company or customer equipment.
7. Fighting or general horseplay.
8. Creating an offensive work environment that includes conduct that to a reasonable person is intimidating, hostile, or abusive. It may be sexual, racial, based on national origin, age, sex, disability, family status (including pregnancy, marital status, or parenthood), military or veteran status, or religion. It can also be verbal or physical behavior that is derogatory, abusive, disparaging, bullying, threatening or disrespectful.
9. Insubordination or failure to follow reasonable work orders.
10. Theft of Company or coworker property.
11. Falsifying Company records such as employment applications, medical questionnaires, and time cards.
12. Engaging in indecent behavior.
13. Failure to meet standards of work performance and productivity.
14. Failure to follow camp rules, if applicable to the employee.
15. Using facility computer systems in an unauthorized manner.
16. Possessing a firearm or other dangerous materials on Company or customer premises.
17. Unethical conduct that may conflict with the interests of the Company.
18. Sleeping while on duty, except where specifically permitted and authorized by management.



4.1 Code of Conduct

Violation of these standards may subject the employee to discipline, up to and including termination. In addition, nothing in this policy is intended to eliminate or modify the employment-at-will status of Company employees.

4.1.2 Forms

Camp Acknowledgement Form



4.2 Conflict of Interest

4.2.1 Policy

Employees and others acting on the Company’s behalf must be free from conflicts of interest that could adversely influence their judgment, objectivity, or loyalty to the Company in conducting business activities and assignments. The Company recognizes that employees may take part in legitimate financial, business, charitable, and other activities outside their jobs with the Company, but any potential conflict of interest raised by those activities must be disclosed promptly to management.

4.2.2 Employee Responsibilities

Employees must request management approval of outside activities and financial interests or relationships that may pose a real or potential conflict of interest. Management approval is subject to ongoing review so employees need to periodically update management on their involvement in any activities that may conflict with this policy.

Avoid actions or relationships that might conflict or appear to conflict with job responsibilities or the interests of the Company. Even the appearance of a conflict of interest can damage an important Company interest.

Obtain necessary approvals before accepting any position as an officer or director of an outside business entity.

NOTE: Examples of potential conflicts of interests are detailed on the Conflict of Interest Reporting form available online at www.littleredservices.com.

4.2.3 Forms

Conflict of Interest Disclosure Statement



4.3 Ethical Conduct

4.3.1 Policy

The Company expects its employees to conduct business in accordance with all Company policies and refrain from dishonest or unethical conduct.

Employees shall, during both working and nonworking hours, conduct their affairs in the best interests of the Company and customers.

To ensure ethical and impartial business and personal conduct, it is prohibited for Company employees to:

1. Offer, accept or solicit money, property, service or other items of value by way of gift, favor, or inducement with the intent that the offer would influence the recipient. Gifts or services exceeding \$100 US dollars in estimated or value must be reported to management.
2. Use their official position to secure special advantage in business, for personal gain or other benefit (either monetary or non-monetary) derived from such relationship.
3. Use any Company-owned facility, building, equipment, materials or vehicle for their personal use or benefit, or for the personal use or benefit of any other individual without authorization. No employee shall have unauthorized possession of Company property.
4. Invest or hold a financial interest, directly or indirectly, in any business entity, transaction or business endeavor that would create a conflict between the employee and duty to the Company.
5. Willfully misrepresent any transaction.
6. Conduct themselves in a manner that benefits an individual or group rather than the best interests of the Company.
7. Release to any third party confidential information entrusted to them by the Company and any other confidential information about the Company, its business, customers or suppliers that comes to them, from whatever source, except when disclosure is authorized.

In general, the use of good judgment, based on high ethical principles, including honesty and fairness, will be the guide with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter must be disclosed to Company management.



4.4 Personal Appearance

4.4.1 Policy

Dress, grooming and personal cleanliness standards contribute to the morale of all employees and affect the business image the Company presents to the community. During business hours, employees are expected to present a clean and neat appearance and to dress according to the requirements of their positions. Employees who appear for work inappropriately dressed will be sent home and directed to return to work in proper attire. Under such circumstances, non-exempt employees will not be compensated for the time away work.

Certain positions within the company do not require contact with clients, consultants or vendors, and therefore jeans may be permissible attire. Please work with your supervisor to determine whether your position falls under this category.

Field employees may dress in clothing that facilitates the work assignment and that meets with North Slope industry standards. Field employees must also adhere to safety standards. They may need to wear a respirator, dust mask or use resuscitation equipment. As such, beards or extensive facial hair are not allowed. Field employees also regularly come into contact with equipment or engage in safety-sensitive activities. As such, hair past the shoulders must be tied up and tucked away. Employees may be subject to additional dress and groom standards in the HSE Manual.

Consult your supervisor if you have any questions about appropriate dress, grooming or personal cleanliness standards.



4.5 Computer, Electronic Mail and Internet Usage

4.5.1 Policy

The Company provides and maintains the following forms of electronic communication:

- computer hardware and software,
- cell phones and telephone voice mail,
- internal and external electronic mail (e-mail), and
- Internet access.

As a condition of providing this electronic access to employees, the Company must place certain restrictions on workplace use of these electronics systems. Company resources are to be used for Company business. In addition, all employees are put on notice that the Company may access and or monitor all forms of electronic communication created through Company systems. No employee should have an expectation of privacy when using Company owned and operated electronic communications.

The internal communication systems, as well as the equipment and data stored, are and remain at all times, the property of the Company. Accordingly, all messages and files created, sent, received or stored within the system should be related to Company business and are and will remain the property of the Company.

The Company reserves the right to retrieve and review any message or file composed, sent or received. Furthermore, all passwords are known to the Company, as the system may need to be accessed by the Company in the absence of an employee.

4.5.2 Company Expectations Regarding Electronic Systems

The content of e-mail, voice mail messages or any file may not contain anything that would reasonably be considered offensive or disruptive to any employee. Offensive content includes, but is not limited to, sexual comments or images, racial slurs, gender specific comments or any comments that would reasonably offend someone on the basis of their race, age, sex, sexual orientation, religious or political beliefs, national origin, familial status (including pregnancy, marital status, or parenthood), military or veteran status, or disability.

As stated previously, the use of electronic systems is for business purposes, however, incidental personal use of email and the Internet is permitted. This use must not harm the Company or affect the employee's job responsibilities. Such use is expected to be on the employee's own time.



4.5 Computer, Electronic Mail and Internet Usage

Regarding Internet and e-mail access and usage, be advised that use of the Internet and e-mail provided by the Company expressly prohibits the following, which is not to be considered an all-inclusive list:

1. Sending, receiving, printing or otherwise disseminating proprietary data, trade secrets or other confidential information of the Company or its business counterparts in violation of Company policy or proprietary agreements.
2. Offensive or harassing statements or language including disparagement of others based on their race, national origin, sex, sexual orientation, age, disability, familial status (including pregnancy, marital status, or parenthood), military or veteran status, religious, or political beliefs.
3. Sending or soliciting sexually oriented messages or images.
4. Accessing Internet pornographic or other inappropriate sites.
5. Downloading, storing, archiving, or distributing obscene or pornographic material.
6. Operating a business, usurping business opportunities or soliciting money for personal gain.
7. Accessing internet sites that create a high risk of contamination to the Company's electronic communication system via viruses or spyware.
8. Engaging in any other activity in violation of any law.

4.5.3 Company Expectations Regarding Social Media

Social networking through the use of Internet-based and other electronic social media tools is integrated into everyday life. Use of Facebook, LinkedIn, blogging, wikis and other online social media vehicles are commonplace. The Company respects the rights of its employees to use blogs and other social media tools as a form of self-expression, and, with the Company's authorization, as a means to further the Company's business. Employees must be aware of the implications of engaging in the forms of social media and online conversations that reference the Company, its competitors and customers, and/or the employee's relationship with the Company. Activities in or outside of work that affect job performance, the performance of others, or Company business interests are a proper focus of the Company.

Employees are cautioned that they should have no expectation of privacy while using the Internet. Posting can be reviewed by anyone, including the Company. The Company reserves the right to monitor comments or discussions about the Company, its employees, customers and the industry, including products and competitors, posted on the Internet by anyone, including employees and non-employees.



4.5 Computer, Electronic Mail and Internet Usage

The Company investigates and responds to all reports of violations of the social media policy. Violation of the Company's policy will result in disciplinary action up to and including immediate termination. The Company may take legal action where necessary against employees who engage in prohibited or unlawful conduct.

All employees who participate in social media referencing the Company, its employees, its products, or its competitors and/or customers must follow these guiding principles:

1. Unless specifically instructed, employees are not authorized and therefore restricted to speak on behalf of the Company. Employees must distinguish their own views and opinions from those of the Company. The Company logo and trademarks may not be used without explicit permission in writing from the Company.
2. Despite disclaimers, an employee's use of social media can result in members of the public forming opinions about the Company and its employees, customers, and products, therefore the Company encourages employees to write accurately and using appropriate professionalism.
3. Disclosing proprietary information, trade secrets, or other confidential information of the Company or its business counterparts is strictly forbidden.
4. Employees cannot use social media to harass, threaten, or discriminate against other employees or anyone associated with or doing business with the Company.
5. All employees must identify themselves as employees when posting comments or responses on the Company's blog or social media site.

4.5.4 Employee Responsibilities

Employees are expected to conduct their personal and business affairs in a manner that does not adversely affect the Company's integrity, reputation or credibility. Employees are responsible for anything they write or present on company electronic systems or the Internet.

Employees can be disciplined by the Company for commentary, content, or images that are defamatory, proprietary, harassing, libelous, or that create a hostile work environment.

Violation of this policy may result in disciplinary action, up to and including termination.



4.6 Personal Property

4.6.1 Policy

The Company assumes no risk for any loss or damage to personal property left at the office or job site.



4.7 Company Property

4.7.1 Policy

With respect to your use of Company property, your responsibilities are:

- To take good care when using company property and to ensure that it is properly and responsibly maintained and serviced as directed.
- Not to allow the property/equipment to be used by anyone not accredited by the Company's training standards.
- Not to fit any accessories to the property/equipment without prior written approval from the Company.
- To go about doing your work in a competent manner when using the property/equipment of the Company.
- To obtain permission for use of Company property/equipment for non-work purposes.
- Not to use the Company's property/equipment if intoxicated through alcohol consumption or drug taking.

4.7.2 Theft of Company Property

Any employee who engages in the theft of Company property or equipment will be subject to disciplinary action which may include dismissal and prosecution.

4.7.3 Form

Work Gear and Property Check Out Acknowledgement Form



5.0 Compensation and Benefits

5.0.1 Policy

It is Company policy to compensate employees at a level sufficient to encourage excellence of performance and to maintain the labor market competitiveness necessary to recruit and retain a competent work force. To this end, the Company shall conduct surveys to determine appropriate salaries, benefits, and salary increases associated with performance for eligible employees.



5.1 Pay

5.1.1 Policy

Employees will be paid semi-monthly at Little Red Services with deposits made no later than the fifth business day after the end of the payroll cycle.

Payroll direct deposit is available to all employees and is recommended as the safest and most effective method of receiving pay.

Payroll errors that may occur from time to time will be addressed immediately and any adjustments in subsequent pay periods do not require authorization from the employee.

Non-exempt employees will be paid based on an hourly wage. Exempt employees may be paid using a day rate and/or annual salary.

5.1.2 Overtime Pay

Overtime compensation is paid to non-exempt Anchorage-based employees in accordance with federal and state wage and hour restrictions. Overtime is payable for all hours worked over 8 hours per day or 40 hours per week at a rate of one and one-half times the non-exempt employee's regular hourly rate.

Overtime compensation is paid to non-exempt Field employees for all hours worked over 8 hours in per day or 40 hours per week at a rate of one and one-half times the non-exempt employee's regularly hourly rate. In addition, any hours worked on a weekend (Saturday and Sunday) will be at one and one-half times the non-exempt employees' regular hourly rate.

Time *off* for personal leave, holidays, or any other leave will not be considered hours worked when calculating overtime.

Holiday pay rates will differ from these and are detailed in the Holiday Pay section of this manual.

5.1.3 Minimum Guarantee

A Field employee will be guaranteed a minimum of 12 hours pay per full calendar day that the employee is at work and available to perform their work duties. An employee shall forfeit their minimum guaranteed hours if they decline shop or other non-revenue duties as directed by their supervisor if regular work duties are unavailable.

Declining work for other than health/safety reasons may subject an employee to disciplinary action.



Payroll

5.1.4 Travel Days

Each employee will receive the greater of actual hours worked or a minimum guarantee of 12 hours for the combined northbound and southbound travel days, on travel days associated with the employee's normal scheduled rotation.

The travel day minimum guarantee will be recognized on the employees' southbound travel and, if applicable, will be added to that days' time.

5.1.5 Weather Days

A special "Weather Day" minimum guarantee of 12 hours shall apply to all employees who are not assigned duties due to weather conditions. Weather day minimums do not apply to Field employees on their travel days.

5.1.6 Forms

Payroll Direct Deposit Form



5.2 Payroll Advance

5.2.1 Policy

In certain circumstances, employees may find it necessary to request a payroll advance. Such requests should only occur in situations when the employee is in financial hardship and when emergency funds are required. Examples may include emergency funds needed for burial or funeral expenses and travel for death of a relative, medical expenses, costs relating to the purchase of a principal residence or repair of damage to the employee's principal residence, tuition, or payments necessary to prevent eviction from or foreclosure on a principal residence.

If approved, advances will be limited to one per calendar year, up to a maximum of \$2,000 per year, and the employee will be required to repay the Company by personal check or through payroll deductions. Repayment must be made within one year from the date of the advance. The employee is also advised that if an employee is separated and still has an advance outstanding, the full amount is due and will be deducted from final pay.

Consideration for payroll advance requires the completion of the Payroll Advance Request Form.

5.2.2 Forms

Payroll Advance Request Form



5.3 Holidays

5.3.1 Policy

The Company recognizes certain holidays, which are also paid at a premium for full time, non-exempt employees.

5.3.2 Anchorage-Based Employees

Anchorage-based employees maintain the following holiday schedule:

- New Year's Day
- President's Day
- Good Friday
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day After Thanksgiving
- Christmas Eve
- Christmas Day
- Floating Holiday

When a holiday falls on a Saturday, the observed holiday will be the preceding Friday. When the holiday falls on a Sunday, the observed holiday will be on Monday.

With supervisor approval, the floating holiday may be taken at any time as long as the absence does not interfere with business operations.

5.3.3 Field Employees

Field employees maintain the following holiday schedule:

- New Year's Day
- Memorial Day
- Independence Day
- Veteran's Day
- Labor Day
- Thanksgiving Day
- Christmas Day



5.3 Holidays

5.3.2 Holiday Pay Premium

Full-time, non-exempt employees will be paid at Holiday Pay rates for every hour worked on one of the recognized holidays for which the employee is eligible.

For holidays recognized on Monday through Friday, an employee will be paid an additional 1/2x pay for every hour worked up to the first 8 hours. For every hour worked after 8 hours, the employee will received 2x pay.

For holidays recognized on Saturday or Sunday, an employee will be paid 2x pay for every hour worked.



5.4 Personal Leave

5.4.1 Policy

The Company believes that employees may need time away from work to help balance their lives. The Company recognizes that employees have diverse needs for time off, as well as a diverse ability to take time off given differences between Anchorage-based and Field employees. Therefore, the Company has designed a leave policy providing a flexible approach to taking time off to cover vacation, illness, appointments, emergencies or other needs that require time off from work. The Company provides for a leave of absence, as well as some paid time off (PTO) for Anchorage-based employees.

5.4.2 Leave of Absence

At management's discretion, based on the Company's ability to accommodate workload, manpower, and Company needs, employees with more than six (6) calendar months of service may be considered for a leave of absence if the Company determines it is in the best interest of the employee and the Company. Before a leave commences, all such requests must be approved by the Vice President of Operations.

5.4.2.1 Duration of Leave

Leave of absence will be limited to ninety (90) consecutive days, not to exceed ninety (90) days in any calendar year. There must be a specific return date established before the leave commences.

If an employee fails to report to work the employee will be terminated from employment.

5.4.2.2 Pay Status

A leave of absence is unpaid, unless the employee is eligible for and has accrued PTO. An employee must use that PTO concurrent with their personal leave. Once the accrued PTO is exhausted, the employee will receive no compensation from the Company. In addition, PTO hours cease to accrue for the duration of the leave of absence.

5.4.2.3 Benefits

The employee may continue their insured benefits, as permitted under the provisions of the respective plans, for the duration of the leave or until terminated from employment. The employee must pay the total premium payment while on an unpaid leave of absence.

Employee premium payments are due at the Company office no later than the 1st of the month in order to continue insurance coverage.



5.4 Personal Leave

5.4.2.4 Reinstatement

The Company will strive to return the employee to the original job or an equivalent position within the Company at the end of the leave of absence. However, if holding the position open during the leave causes a substantial hardship, if there is no work available after the expiration of the leave, or if circumstances have so changed that it is not reasonable to provide reinstatement, the Company will not reinstate the employee.

5.4.2.5 Coordination With Other Leave

This policy will not conflict with leaves of absence as required by law or with other leave policies that may be in effect. However, to the greatest extent allowable, all leaves of absence will run concurrently.

5.4.3 Paid Time Off (PTO)

Anchorage-based, full-time employees of the Company accrue PTO to be used for vacations, sick days, personal appointments or other reasons. Employees may begin using accrued PTO after 90 days from the date of hire.

Employees are required to use available PTO concurrent with any time off from work, with the exception of a Company-required absence due to low workload or absences occasioned by the Company. If accrued PTO is exhausted, a leave of absence will be considered at the discretion of the supervisor. A negative PTO balance is not permitted under this policy.

Whenever possible, PTO must be scheduled in advance. Approval is subject to department staffing needs and established departmental procedures.

5.4.3.1 Accrual Schedule

Eligible employees begin to accrue PTO the first full pay period after date of hire and accruals are calculated weekly. PTO does not accrue during a leave of absence.

Employees will accrue PTO based on the below schedule and accruals will increase to the next level on the anniversary date of hire.

Years of Service	Hours Per Pay Period	Hours Per Year	Maximum Accrual
0-4	5	120	180
5-8	6.67	160	240
9-10	8.33	200	300
11 +	10	240	360

PTO is added to the employee’s PTO bank as it accrues and is subtracted from the employee’s bank when used.



5.4 Personal Leave

5.4.3.2 Use of PTO

Hourly paid employees may take PTO in increments as low as one hour. Salaried employees must take PTO in full day increments.

Employees may cash out earned PTO hours at 0.70 cents on the dollar twice per calendar year. The minimum allowable cash out will be 8 hours, and at least 80 hours must remain in the PTO bank after cash out.

All accrued PTO will be paid out upon separation of employment.

PTO cannot be used by an employee in a manner that has the employee compensated in excess of 8 hours per day or 40 hours per week.

5.4.4 Forms

Leave Request Form



5.5 Sick Leave

5.5.1 Policy

A Field employee who is unable to work due to personal illness or non-job-related injury while at a remote location will be paid 8 hours of straight time for each calendar day the employee is off duty at the remote location up to a maximum of three days.

If the illness is deemed to be a contagious hazard, the employee may be sent home to protect the health of the other employees.



5.6 Jury Duty

5.6.1 Policy

Full-time Anchorage-based employees will be eligible to have their pay continue for up to 10 business days while carrying out their civic responsibility.

Field employees, and others who may have a rotational work schedule, will not be eligible for continuation of pay. These personnel generally have the option to reschedule jury duty to periods when they are not working. The Company will work with the employee's schedule to accommodate the period of the jury duty obligation.

5.6.2 Employee Responsibility

The employee must notify their supervisor upon receipt of notification from the state or federal courts of an obligation to serve on a jury. The employee is required to provide copies of the jury summons to the supervisor or the Field Operations Manager, as well as proof of attendance.

Employees called to jury duty generally receive a daily allowance for such service. The employee can retain this nominal amount with no offset to regular pay.



5.7 Military Leave

5.7.1 Policy

The Company is committed to protecting the job rights of employees absent on military leave. Such leave is required under the Uniformed Services Employment and Reemployment Rights Act (USERRA).

5.7.1 Who is Covered

USERRA applies to employees who perform duty, voluntarily or involuntarily, in the "uniformed services," which include the Army, Navy, Marine Corps, Air Force, Coast Guard, and Public Health Service commissioned corps, Army National Guard and Air National Guard.

Uniformed service includes active duty, active duty for training, inactive duty training (such as drills), and initial active duty training. USERRA covers all employees, including part-time employees.

5.7.2 Pay Status

Employees on leave for purposes of annual training will be eligible to have their regular pay continue for up to 14 days. Pay will be at the regular straight time rate for time representing the employee's regular work schedule.

5.7.3 Benefits

Employees performing military duty of more than 30 days may elect to continue employer sponsored health care for up to 24 months; however, they may be required to pay up to 102 percent of the full premium. For military service of less than 31 days, health care coverage is provided as if the service member had remained employed.

For purposes of 401 (k) (Defined Contribution Plan) participation, vesting, and accrual of benefits, USERRA treats military service as continuous service with the employer.

5.7.4 Re-employment

USERRA places a 5-year limit (with some exceptions) on the cumulative length of time a person may voluntarily serve in the military and remain eligible for re-employment rights. The USERRA reinstatement rights do not extend, however, to employees who are employed for brief, non-recurrent periods with no reasonable expectation that employment will continue indefinitely. The employee should be reemployed in the job that they would have attained had they not been absent for military service.

The Company will provide to employees entitled to the rights and benefits under USERRA a notice of the rights, benefits, and obligations under USERRA. Specific



Military Leave

guidance on reemployment rights and other provisions can be viewed at <http://www.dol.gov/compliance/laws/comp-userra.htm>.



5.8 Bereavement

5.8.1 Policy

An employee who wishes to take time off due to the death of an immediate family member should notify their supervisor immediately.

Employees will be allowed up to five consecutive days off from their regularly scheduled work with regular pay, not to exceed 8 hours at the straight time rate. Immediate family will include the employee's spouse, child or step child, father, father-in-law, mother, mother-in-law, brother, sister, step father and mother, step brother and sister, and grandparent.

Within a reasonable period of time, employees will be required to provide verification of need by submitting an obituary, death certificate or similar document.



5.9 Family and Medical Leave

5.9.1 Policy

The function of this policy is to provide employees with a general description of their Family and Medical Leave Act (FMLA) rights. In the event of any conflict between this policy and the applicable law, employees will be afforded all rights required by law.

Since the information presented in this general description is considered a summary, employees requesting Family Leave are directed to contact their Human Resources representative for additional information and direction regarding their rights under FMLA. Employees may also obtain information at www.dol.gov/whd/fmla.

5.9.2 General Provisions

Under this policy, the Company will grant up to 12 weeks of unpaid leave (or up to 26 weeks of military caregiver leave to care for a covered service member with a serious injury or illness) during a 12-month period to eligible employees.

5.9.3 Eligibility

To qualify for FMLA under this policy, the employee must meet all of the following conditions:

1. The employee must have worked for the Company for 12 months or 52 weeks and worked 1,250 hours during the 12-month period preceding the request for leave. The 12 months or 52 weeks need not have been consecutive. Separate periods of employment will be counted, provided that the break in service does not exceed seven years.
2. The employee must work in a worksite where 50 or more employees are employed by the Company within a 75-mile radius. The distance is to be calculated by using available transportation by the most direct route.

5.9.4 Types of Leave Covered

To qualify as FMLA leave under this policy, the employee must be taking leave for one of the reasons listed below:

1. The birth of a child and in order to care for that child
2. The placement of a child for adoption or foster care. .
3. To care for a spouse, child or parent with a serious health condition.
4. A serious health condition of the employee that makes the employee unable to perform the functions of the employee's position. A **Serious Health Condition** is defined as a condition that requires:



5.9 Family and Medical Leave

- a. Qualifying inpatient care at a hospital, hospice or residential medical care facility, including continuing treatment; or
 - b. Qualifying continuing treatment by a health-care provider
5. Qualifying exigency leave for families of members of the National Guard or Reserves or of a regular component of the Armed Forces when the covered military member is on covered active duty or called to covered active duty.
 6. Military caregiver leave (also known as covered service member leave) to care for an injured or ill service member or veteran. An employee whose son, daughter, parent or next of kin is a covered service member may take up to 26 weeks in a single 12-month period of leave to care for that service member.

5.9.5 Amount of Leave

An eligible employee can take up to 12 weeks for the FMLA circumstances (1) through (5) above under this policy during any 12-month period. The Company will measure the 12-month period as a rolling 12-month period measured forward from the date an employee first uses any leave under this policy.

An eligible employee can take up to 26 weeks for the FMLA circumstance (6) above (military caregiver leave) during a single 12-month period. For this military caregiver leave, the Company will measure the 12-month period as a rolling 12-month period measured forward. FMLA leave already taken for other FMLA circumstances will be deducted from the total of 26 weeks available.

5.9.6 Employee Status and Benefits During Leave

The Company will continue the employee's health and life insurance benefits during the leave period as if the employee had continued to work. The employee must continue to pay their share of the premium payment prior to the first of each month. Failure to make prompt payment of the employee's portion of such premium may result in the loss of medical insurance coverage for the duration of the FMLA leave. But upon the employee's return to work, the medical insurance will be restored as of the date the employee returns.

5.9.7 Use of Paid and Unpaid Leave

An employee who is taking FMLA leave must use accrued PTO, if any, prior to being eligible for unpaid leave.

5.9.8 Intermittent Leave or a Reduced Work Schedule

Leave may be used intermittently or, under certain circumstances, leave may be used to reduce the workweek or workday. The Company may temporarily transfer an employee to an available alternative position with equivalent pay and



5.9 Family and Medical Leave

benefits if the alternative position would better accommodate the intermittent or reduced schedule.

5.9.9 Certification for FMLA

The Company will require certification for the employee's serious health condition, the family member's serious health condition, Qualifying Exigency for Military Leave, and Serious Injury or Illness of a covered Service Member. Failure to provide certification may result in a denial of continuation of leave. However, the Company will in a timely manner designate leave as FMLA when it has obtained enough information to determine the leave is for a qualifying reason.

5.9.10 Procedure for Requesting FMLA Leave

All employees requesting FMLA leave must provide to the Company a verbal or written notice of the need for the leave. If leave is foreseeable, the employee must provide the employer with at least 30 days notice.

This is a policy summary and employees requesting Family Leave are directed to contact their supervisor for additional information and direction regarding their rights under FMLA. Employees may also obtain information at www.dol.gov/whd/fmla.

5.9.11 Return to Work/Fitness for Duty

Consistent with Company practice, before returning to work following a medical leave due to the employee's serious health condition, the employee may be required to have a fitness-for-duty examination to demonstrate that the employee is medically able to resume work and to perform the essential functions of his or her job.

Subject to the limitations below, an employee returning from FMLA leave will be restored to the position of employment held when the leave commenced or to an equivalent position:

- Job restoration may be denied if conditions unrelated to the FMLA leave have resulted in the elimination of the employee's position
- Job restoration may be denied if the employee qualifies as a "key employee" (generally the highest paid 10% of the workforce) and it would cause substantial and grievous economic injury to the Company

5.9.12 Forms

Family and Medical Leave Designation Notice

Family and Medical Leave Certifications (4)



6.0 Department Contacts

Benefits/Payroll		
Anchorage Administrative Assistant	907.349.2931	Lhagen@lrs-ak.com
Health, Safety, and Environmental (HSE)		
HSE Director	907.670.8403	cwarner@littleredservices.com
Operations		
Vice President of Operations	907.670.8402	curgus_johnson@littleredservices.com
Prudhoe Bay Field Operations Manager	907. 670.8401	nicklels@bp.com leonarsp@bp.com
Kuparuk / Alpine Field Operations Manager	907.659.7173	lrskuparuk@littleredservices.com