

Employee Manual



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Disclaimer

This manual is intended to provide important information to employees about Gibbs & Olson, Inc. (Gibbs & Olson, the Company) and its employment guidelines.

Nothing contained in this manual is intended to create any kind or form of contractual agreement between Gibbs & Olson and any employee; nor are the contents of this manual intended to be a part of the employment relationship between Gibbs & Olson and any employee. This manual does not promise or guarantee any particular benefit or specific action.

Employment at Gibbs & Olson is "at-will" which means Gibbs & Olson or the employee may terminate our employment relationship at any time, with or without cause, and with or without notice.

The information included in this manual is intended to give only a general picture of the responsibilities and benefits of Gibbs & Olson employees. Guidelines presented in this manual are not intended and shall not be considered promises of specific treatment; nor are they meant to cover absolutely every situation. The general statements of policy within this manual should not be construed as a legal document.

This manual replaces all previous Gibbs & Olson employee manuals, policies and procedures. Gibbs & Olson specifically reserves the right, at its sole discretion, to amend, modify or eliminate any of the guidelines, or any other material contained in this manual, at any time, without prior notice to, or the consent of any employee. Any revisions will supersede previous manuals.

If you have questions after reading this manual, please contact your Department Manager or Managing Principal.

Receipt & Acknowledgment

My signature below indicates that I have received a copy of the Company's Employee Manual. I understand that this manual contains information regarding the Company's policies, procedures and benefits which affect me as an employee and the manual may change without prior notice.

I understand that this Employee Manual replaces all prior verbal and written communications regarding Gibbs & Olson working conditions, policies, procedures and benefits.

I understand that the contents of this employee manual are guidelines and is neither a contract or an implied contract between Gibbs & Olson and myself. I understand that if I have questions or concerns at any time about the Employee Manual, I will contact my Department Manager or the Managing Principal for clarification.

Employee Signature

About Gibbs & Olson

Mission Statement

Immersed in the communities we serve, we create a healthy and safe environment in which families can thrive.

Core Values

- **Building Quality Relationships**
- **Impassioned Team Players**
- **Pride In Our Work**

Our core values are the foundation upon which all members of our team can base decision-making and interaction with coworkers, clients, community members and the general public.

Culture

Gibbs & Olson is committed to the recruitment, selection and retention of highly capable and innovative employees. A respected, well-established company of engineers, surveyors, technical and administrative staff, we take pride in the quality of our relationships and our work. We are a company of individuals working together to build a sound future for ourselves, our families, local communities and the Company. Our intention is for each employee to share in this pride and make every effort to ensure that our relationships both internally and externally are strengthened. By maintaining and building quality relationships, we will deliver high-quality services to our clients and continually improve the Company's reputation.

The Company is dedicated to maintaining the highest possible standards in business ethics and understands the importance of each employee in the Company's success. Our goal is to provide a positive, team-oriented work environment which unites employees and generates enthusiasm for the Company. Since Gibbs & Olson's success will, in large measure, depend on the ability of our employees to work together as a team, all employees may have the opportunity to work on all projects at any given time. The opportunities provided to employees depend on the specific needs and circumstances of a given project and the skills and abilities of each employee. The success of each project is the responsibility of the entire Company.

Clients

Our clients are essential to our success; therefore, we value the relationship we have with our clients. A good Company reputation and strong individual relationships with client staff, contributes to the growth of our business and increases opportunities for our employees.

All Gibbs & Olson employees should adhere to and interact with our clients in the following manner:

- engage fairly and honestly with every client
- respond to client requests promptly and courteously

- always be respectful and exercise tact, patience, and professionalism
- always strive to improve the range of our capabilities
- take personal interest and initiative in solving clients' problems
- protect our clients' rights to privacy and confidentiality
- provide consistent open, honest and professional communication

History

Gibbs & Olson was established as a partnership in 1950 by LC Gibbs and Oscar Olson. Several years later they formed a corporation in Chehalis. In 1964 an office was established in Kelso and in 1977 they moved to the Monticello Hotel in Longview. In 2014, the Longview office moved to its current location in the Stanley Plaza Building.

A branch office was opened in Tumwater in 1992 to accommodate a growing client base. The Tumwater office relocated to Olympia in 1997.

The Company has a long history of ownership stability as employees familiar with our mission and goals succeed retiring shareholders—keeping our reputation of professionalism and integrity intact. As new owners come into the leadership so do new and innovative ideas—these are blended with time-tested methods and provide our clients with high quality services and solutions that work.

General Employment Guidelines

Equal Opportunity Employment

Gibbs & Olson is an Equal Opportunity Employer and fully intends to comply with all federal, state and local laws and regulations which prohibit discrimination in employment on the basis of race, color, religious creed, national origin, ancestry, disability, gender (including gender identity), marital status, military status, sexual orientation, age, pregnancy, genetic information, HIV status, use of service animal, or on any characteristic protected by applicable federal, state or local law. This policy is an integral part of every aspect of the personnel policies and practices of Gibbs & Olson, including the employment, development, advancement and treatment of its employees.

Non-Discrimination / Harassment

Gibbs & Olson is proud of its professional and rewarding work environment. Our core values should guide all team members in service, communications, and the overall treatment of clients, members of the public and each other.

The Company is committed to providing a work environment free from discrimination and harassment. Harassment is defined as unwelcome actions, words, jokes, or comments based on an individual's race, color, creed, national origin, ancestry, citizenship status, sex, gender (including gender identity), marital status, sexual orientation, pregnancy, age, religion, medical condition (including genetic characteristics), physical or mental disability, military service status or any other status or characteristic protected by local, state, or federal law. Discrimination against applicants for employment and against Gibbs & Olson employees, clients, suppliers, or vendors for any of the statuses previously defined under harassment is also prohibited. Employees found to have engaged in discriminatory actions may be subject to disciplinary actions, up to, and including termination.

Harassing conduct may include inappropriate jokes and innuendo, epithets, slurs or negative stereotyping, display in the workplace of offensive materials, and other inappropriate physical or verbal conduct or visual materials.

Individuals who believe they have been subjected to harassment or discrimination or have witnessed what they believe to be harassment or discrimination should clearly inform the "harasser(s)" that his/her behavior is inappropriate, offensive, unwelcome, and should immediately cease. If the response from the "harasser(s)" is not satisfactory or if the reporting party is uncomfortable confronting the offending individual, the harassment should be reported to their Department Manager or Managing Principal. Do not assume that management is aware of your situation. It is your responsibility to bring the claim to management's attention. Do not allow a situation that you believe is inappropriate to continue by not reporting it, regardless of who is creating that situation. No team member, including principals or managers of the Company, is exempt from this policy. Employees or witnesses who, in good faith, report harassment or discriminatory behavior shall not be subjected to any form of retaliation. The employee's concerns will be taken seriously and promptly investigated. Any employee responsible for any form of retaliatory conduct will be subject to disciplinary action, up to, and including

termination. The confidentiality of those involved will be protected to the greatest extent possible, consistent with the need to investigate and take appropriate action.

If the investigation reveals that the charges were brought falsely, and with malicious intent, the charging party may be subject to disciplinary action including termination.

Sexual harassment is a form of unlawful harassment by any individual that includes any unwelcome sexual advances, requests for sexual favors, or other verbal or physical conduct of a sexual nature by managers, supervisors, coworkers, or third parties. Such conduct may interfere with an individual's work performance or create a hostile or intimidating work environment. Sexual harassment does not refer to casual conversation or compliments of a socially acceptable nature. It refers to behavior which is not welcome, and which is personally offensive, interfering with effectiveness or creating uneasiness on the job.

Gibbs & Olson desires an open, friendly environment for both male and female employees. All managers, supervisors and employees are expected to work actively to maintain a workplace that is free from unlawful discrimination and harassment based on sex or any other protected basis, and to conduct themselves in such a way to ensure that no such discrimination or harassment occurs. Gibbs & Olson employees found to have engaged in unlawful harassment may be subject to disciplinary action, up to, and including termination.

If an investigation shows that an employee has engaged in conduct in violation of this policy, Gibbs & Olson will take appropriate disciplinary action or corrective measures. Such measures may include mandatory counseling, training, additional supervision, change of job duties, demotion, suspension, or termination of employment. This list is illustrative only and includes harassment by coworkers for off-duty conduct that creates a hostile work environment. The Company, in its sole discretion, will determine the level of disciplinary action or corrective measure that is appropriate in any specific situation. This policy does not create a mandatory step or progressive disciplinary policy and does not in any way alter the Company's status as an "at will" employer nor does it create a contract between an employee and the Company with the respect to the level of disciplinary action appropriate in any situation.

Employees having questions about the procedures for reporting possible discrimination or harassment are encouraged to contact their Department Manager or Managing Principal. Employees may also contact the Washington Human Rights Commission for information regarding harassment at 1-800-233-3247.

Standards of Conduct and Discipline

The Standards of Conduct are guiding principles applicable to every employee and help us meet ethical and legal challenges in our daily work. All employees are expected to provide excellent and reliable performance. Our Company's public image is determined to a considerable degree by our actions, the way each of us presents and conducts ourselves and the respect we show each other. We all share the responsibility for our Company meeting its high standards. Any failure to meet this high standard is cause for concern, discipline, or possible discharge.

It is important that neither Gibbs & Olson nor its employees engage in any activity that might be construed as compromising the Company's integrity or its relationships with clients. Employees should always use reasonable judgment and seek supervisory advice in any questionable situation. Many of our assignments

involve the use of information which is the property of our clients. Unless expressly authorized by the client, employees are prohibited from using, or sharing, such information outside the Company.

Gibbs & Olson generally adheres to the concept of progressive discipline - seeking to resolve problems in the most informal and positive manner possible. This means the Company will take appropriate action based on the seriousness of the situation and the circumstances. Discipline, short of termination, may take the form of counseling, additional training, verbal or written reprimand, a performance appraisal indicating substandard performance in one or more areas, transfer to another position in the Company, reduction in pay, probation or suspension. Which of these options is chosen, or whether any of them are used prior to termination, depends on the seriousness and type of the offense. Determination of seriousness of the offense, and which disciplinary option is exercised, will be at the sole discretion of the Managing Principal.

There are gross acts of misconduct that cannot be permitted to occur because of their unfair impact on clients, coworkers, contractors, or vendors. Such offenses may result in discharge on the first occurrence. These include, but are not limited to, the following:

- possession of, sale of, or being under the influence of alcohol or illegal, controlled substances while on Company business, in a Company vehicle, or while on Company premises;
- unsafe work practices;
- use of Company technology systems for prohibited activities;
- insubordination, including refusal or failure to carry out job assignments;
- theft;
- falsification of any work, personnel, or other Company records;
- unauthorized disclosure of confidential or proprietary Company or client information;
- willful destruction of Company property;
- misrepresentation or withholding of pertinent facts in securing employment;
- fighting or threatening to fight on Company property or in a Company vehicle;
- serious misconduct of any kind; and
- violation of company policy.

These examples are not all-inclusive; other behavior may also lead to discharge on the first occurrence.

Smoking

Pursuant to state law, smoking is prohibited in any area under the control of Gibbs & Olson which employees are required to pass through during the course of employment, including but not limited to entrances and exits, work areas, restrooms, conference, classrooms, break rooms and cafeterias and other common areas. Smoking is also banned in company cars and within 25 feet of any entrance, exit, windows that open, or ventilation intakes of Gibbs & Olson's premises.

Drugs and Alcohol

Gibbs & Olson is committed to achieving a drug-free workplace. The Company has the right and obligation to maintain a safe, healthy and productive working environment and to protect Gibbs & Olson's property, operations and reputation. Therefore, the Company reserves the right to perform reasonable suspicion drug testing, and to institute a program of random drug testing should the need arise. In addition, mandatory drug testing of employees may be required under the terms of specific project contracts executed by Gibbs & Olson.

Employees are prohibited from reporting to work or entering any Company property or vehicle while under the influence of a controlled substance, a drug not medically authorized (or inappropriate or excessive use of medically authorized drugs); alcohol; marijuana; or other substances which would impair job performance or pose a hazard to the safety and welfare of employees, clients, and the public. Employees are also prohibited from using alcohol and marijuana during lunch or rest breaks. Violation of this policy may subject the employee to disciplinary action, up to, and including, termination.

The only exception to the use of alcohol with respect to work-related activities is that alcohol may be permitted by the Department Manager or Managing Principal at a Company-sponsored function, such as a company picnic or dinner.

When Gibbs & Olson has reasonable suspicion to believe that an employee may be under the influence or impaired by alcohol or drugs, the employee may be required to submit to a drug test. Reasonable drug and/or alcohol testing may also occur following an accident involving a company vehicle when there is more than \$2,000 of property damage, and/or injuries resulting in hospitalization.

Reasonable suspicion includes, but is not limited to, the following:

- the odor of alcohol or marijuana on or about the employee's person;
- physical symptoms of drug or alcohol abuse;
- erratic behavior causing unsafe operation or abuse of equipment;
- a decrease in productivity; and
- significant change in behavior.

When necessary the Department Manager or Managing Principal will arrange for employee drug testing. Drug testing will be conducted during normal business hours with no advance notice to the selected employee(s). Failure to pass the drug-screening test or refusal to submit to discovery testing for alcohol and drugs may subject an employee to disciplinary action, up to, and including termination. Any and all information regarding drug testing, the results of such testing, and the treatment of alcohol and/or drug dependence will be handled with the utmost confidentiality, and all files regarding such information will be secured and maintained separately from personnel records.

Employees are expected to abide by the Gibbs & Olson's Drug and Alcohol Policy and must also report any conviction under a criminal drug statute for violations occurring on or off Company premises while conducting Company business. A report of a conviction must be made within five (5) days after the conviction.

Orientation and Training

New employees will be given an initial orientation including an introduction to staff members; office procedures; a review of this Manual and the benefits it describes; and an explanation of the expectations, duties and responsibilities of his or her position. All staff members are expected do their utmost to welcome new employees and to be as helpful as possible.

The first six (6) months of employment are considered an orientation period for all newly-hired employees. Employment may be terminated at any time during the orientation period, without prior notice. Completion of the six (6)-month orientation period in no way infers any guarantee of future employment or changes the "at will" nature of the employment relationship between Gibbs & Olson and the employee.

In-house training is a continuous process. It takes place on an informal basis during the initial phases of employment and more formally when staff members require training at the beginning of a new project. Requests for outside training should be submitted to the employee's Department Manager for approval. If the tuition fee for training or a seminar exceeds \$500, or the training will entail absence from the office of more than one day, approval must be obtained from the Managing Principal.

Per Diem

There may be occasions when an employee needs to travel out of town to attend seminars or training sessions. For training and seminar travel situations, Gibbs & Olson has an accountable per diem policy that covers lodging, meals and incidental expenses incurred. Generally, if travel for outside training or a seminar is located less than seventy-five (75) miles from the employee's assigned office, meal reimbursement will be allowed if the employee is away from the office for at least eight (8) hours. No partial meal per diem will be paid for travel away from the office for less than eight (8) hours. If the training or seminar is located more than seventy-five (75) miles from the employee's assigned office, the Company will pay up to the current per diem maximum per day for verifiable lodging, meal and incidental expenses. See the Accounting Department for current per diem maximums, reimbursement procedures and to obtain reimbursement forms (if travel costs were paid out of personal funds). Reimbursement forms should be submitted to the Accounting Department as soon as possible after travel is completed and should include actual receipts, including itemized food receipts indicating food ordered by person and cost, or supporting documentation of expenses incurred for auditing purposes.

Please note that the above accountable per diem policy does not apply to company in-house training sessions or project-related travel. For project-related overnight travel, please discuss arrangements with your Department Manager and/or the Accounting Department.

Work Hours

Gibbs & Olson subscribes to standard office hours between 8:00 am and 5:00 pm Monday through Friday. Flexible or remote location working hours are extended to employees on a case-by-case basis as a courtesy and benefit which may coincide with personal preferences and schedules. Generally, flexible hours are considered to start between 7 :00 am and 9:00 am and end between 4:00 pm and 7:00 pm with one (1) hour allowed for a lunch break and remaining hours allotted to company business. Work

schedules with flexible hours still need to be consistent to provide reliable availability to clients and coworkers. Authorization to work flexible hours must be approved by the Department Manager. In all cases, working remotely must be approved by the Managing Principal (See Gibbs & Olson's Telecommuting Policy).

If, for any reason, Gibbs & Olson determines that the best interests of any client, project, or the Company are not being served by having an employee work a flexible hour schedule, or from a remote location, the schedule for that employee may be reviewed and modified to best serve the client and the Company.

Calendar Management

Employees are expected to identify when they will be out of the office on their Outlook calendars. Employees are also expected to share their Outlook calendar with everyone in the Company so that necessary scheduling can be coordinated. Additionally, employees are expected to notify the front office staff when leaving and returning to the office.

Absenteeism

Employees are expected to be prompt for their scheduled shift. Any employee who will not arrive within fifteen (15) minutes of their scheduled start time must contact their Department Manager or Managing Principal, advising of the nature of the absence and when he/she may be expected at work. When an employee is unable to attend work because of accident or other emergency, he/she is expected to notify their Department Manager or Managing Principal at the earliest opportunity. Employees should also call their Department Manager or Managing Principal at any other time when they are absent from work without pre-authorization. Failure to do so will be considered an unauthorized leave of absence and the employee may be subject to disciplinary action.

Lunch and Rest Breaks

Employees must take their allowed breaks. Project meetings and work commitments may affect the daily schedule; therefore, employees may take a one (1)-hour lunch break at their convenience, but no more than five (5) hours into their scheduled shift. Employees are entitled to one (1), ten (10)-minute break from work for every four (4)-hour period of work. Break periods begin when the employee leaves the workstation or job site and ends upon his/her return to the workstation or job site. Employees should notify the front office staff prior to taking, and upon returning from, a lunch or rest break. Repeated tardiness in returning from lunch or rest breaks may subject the employee to disciplinary action.

Conflict of Interest / Moonlighting

Gibbs & Olson requests that all employees avoid situations that may cause their interests to conflict with the Company's, or that may compromise Gibbs & Olson's integrity and reputation. A case where a direct benefit to Gibbs & Olson could result from a decision or vote on a service organization committee or while serving in any public capacity requires that the employee recognize and recuse him/herself from the situation.

From Gibbs & Olson's perspective, a conflict occurs when an employee or an employee's immediate family member uses the employee's position with Gibbs & Olson for personal benefit through an

investment association, or business relationship that interferes with the employee's ability to exercise independent judgment on behalf of Gibbs & Olson.

The Company also considers ownership or participation in another company which competes in whole or in part with Gibbs & Olson as a conflict of interest, therefore, it is prohibited to operate or hold ownership of such a company.

Employees are prohibited from performing work for others outside the Company that is in any way related to the services performed by Gibbs & Olson, unless prior written approval of the Managing Principal has been obtained. Full-time employees are discouraged from accepting a second job outside the Company, whether self-employed or otherwise. Performance of work not directly associated with company business during normal working hours when the employee is expected to be on staff is prohibited. Employees may obtain permission from their Department Manager to secure a second job with an understanding that the second job will not create a conflict of interest or interfere with the proper performance of the employee's duties at Gibbs & Olson.

Personnel Files

The Company maintains a personnel file on each employee. The contents of this file are strictly confidential and are kept for administrative purposes. Employees should help keep the information in their personnel files current by notifying the Accounting Department of any change of address, telephone number, personal status or the status of dependents, emergency contacts, educational or professional accomplishments, and appointments and honors. Personnel files enable management to ascertain qualifications for a particular assignment; give consideration to special problems; prepare resumes for promotional materials, annual reports, etc.; and obtain proper medical assistance and locate family members in case of emergency.

Employment Inquires

All requests concerning the employment of past or present employees of Gibbs & Olson must be directed to the Managing Principal. Unauthorized release of information subjects both the person who released the information and Gibbs & Olson to a potential lawsuit.

Information released will be done only in response to a written request. Information given regarding employment will verify employment status, dates and job title. Additional information for both current and past employees will be released only with written consent of the person in question.

Solicitation and Security

Gibbs & Olson intends to maintain an orderly workplace, avoid intrusion upon employees at their work, and preserve employee safety and security as well as confidential information throughout the Company. Therefore, except for legitimate company business, and with prior authorization, individuals not employed by Gibbs & Olson may not at any time solicit, survey, petition, or distribute literature on any Company property. This policy includes charity solicitors, salespersons, questionnaire surveyors, union organizers or any other solicitor or distributor. This provision in no way limits the employees right to participate in speech or activity protected by the National Labor Relations Act (NLRA).

Employees should make every effort to be aware of strangers on Company premises and report any unfamiliar or unauthorized person on company premises to a Department Manager or Managing Principal.

Dress Code

Purpose

Gibbs & Olson actively strives to portray a professional image and, at the same time, provide a rewarding work environment. Therefore, the Company does not have a formal and restrictive dress code policy but has established basic guidelines for appropriate work attire. Work attire should promote a positive, professional image of Gibbs & Olson but also allow for flexibility to respect individual religious, racial, gender-specific and ethnic attire. The dress code guidelines also give consideration to safety and sound business practice.

The dress code policy is an effort to establish some broad parameters. Employees should keep in mind that occasionally the opportunity to meet with a client arises unexpectedly. Employees seeking to gain experience could benefit from being prepared and dress accordingly.

Relaxed Business Casual

The primary objective is to provide employees a relaxed business casual dress code while still projecting a neat and professional image. Employees are expected to consider each day's activities when determining what to wear and should refrain from relaxed casual dress when the Company is hosting special events such as an in-house client meeting. When employees are attending client meetings they should refrain from wearing relaxed casual attire. Generally, for all employees, the definition of relaxed business casual is as follows:

Clothes should be proper fitting and in good repair. Clothes should be clean and neat in appearance. Clothing that reveals too much cleavage, your back, your chest, your stomach or your underwear is not appropriate for work. In our work environment, clothing should not be wrinkled. Torn, dirty, stained, faded or frayed clothing is unacceptable. Inappropriate items include tank tops made from t-shirt material, halter-tops, short shorts, shirts with novelty designs, i.e., musical groups and other commercial ventures and shirts with offensive language or images on them. Flip-flops should not be worn for safety reasons.

Business Casual

For employees at a Project Manager level or above, management, front office staff, and any employee meeting with a client face to face, Gibbs & Olson generally adheres to a Business Casual dress code defined as follows:

Business Casual wear includes pieces such as polo and cotton shirts, sweaters, and khaki pants.

Regardless of the item, it is essential to avoid wearing anything to the office that is excessively worn, frayed, or wrinkled. The following is a list of guidelines that sets the general parameters for proper casual business wear. This list is not intended to be all-inclusive. A good rule of thumb is that if you are not sure something is acceptable, choose something else.

- **Pants/Slacks** - Blue jeans will normally be permitted provided they are not faded, torn or otherwise damaged. Blue jeans should not be worn on the days where the company is hosting

client meetings. Inappropriate items include sweatpants, bib overalls, shorts, beachwear, workout attire, spandex or other form-fitting pants.

- **Shirts** - Casual shirts, golf shirts, and sweaters are acceptable. Tops with seasonal themes, Christmas, Halloween, 4th of July, and other such holidays are acceptable. Gibbs & Olson logo shirts are acceptable. Inappropriate items include tank tops made from t-shirt material, halter-tops, shirts with novelty designs, i.e., musical groups and other commercial ventures and shirts with offensive language or images on them.
- **Dresses and Skirts** - Casual dresses and skirts, and jean skirts, are acceptable. Inappropriate items include mini-skirts and thin-strap dresses.
- **Footwear** - Loafers, flats, dress sandals, and leather deck shoes are acceptable. Flip-flops should not be worn for safety reasons.

It is expected that all employees will adhere to the guidelines outlined and will address any concerns or questions with their Department Manager or Managing Principal.

Phone Etiquette

The relationship we have with our clients and business associates is essential to our business; therefore, all phones should be answered as promptly as possible (within three rings). Callers should always be treated courteously. Voice mail messages should be checked frequently and return calls made by the end of the day on which the call was received. Personal calls during working hours are to be kept to a minimum and of short duration.

Cell Phones

Gibbs & Olson has cell phones available for specific management approved employees to use for Company business as needed. Company provided cell phones are basic models with no extra features. If an approved employee chooses to use his/her cell phone in lieu of a Company issued phone, Gibbs & Olson will provide the individual employee a fixed stipend equal to the amount of the monthly service charge for a company provided basic cell phone. Charges incurred on personal phones of employees not on the preapproved list and charges in excess of the fixed stipend for personal cell phone use will not be reimbursed unless prior approval has been obtained from the Department Manager.

Company policies regarding harassment, discrimination, and retaliation apply to the use of personal cell phones at all times. Employees found to have engaged in these actions may be subject to disciplinary actions, up to, and including termination. Company compliance, ethics obligations and the Company policy regarding technology use also apply when using personal cell phone for work-related activities, during work time or on Company premises.

Gibbs & Olson only allows the use of a handheld device while operating a Company owned or personal vehicle on Company business with the appropriate use of hands-free technology according to state law. If a call needs to be made, or is received, or an email or text message needs to be read or sent, employees should pull over to a safe place before attending to business. Many cell phones will allow you to change voicemail greetings to indicate you are not available to answer calls or return messages while

driving. Employees should inform clients about this policy to explain why they sometimes may not be able to answer or return calls, emails or text messages immediately.

Using a personal device for Company business allows employees to always have access to their voicemail, text messages and email. Gibbs & Olson does not allow employees to access work related information during non-work hours unless pre-approved by their Department Manager. Employees in a management position should be mindful not to send emails and texts or call staff during non-work hours, unless it is essential. Employees are encouraged to ignore business communications that may come in during personal time by assigning unique ringtones or text alerts to distinguish calls or texts coming from Company sources. If an employee conducts Company business on non-scheduled time, the employee should be aware that all Gibbs & Olson employees are currently non-exempt. Non-exempt means that you are paid by the hour and are required to report all time worked whether scheduled and pre-approved or not.

Text messages are written communication just like email and letters. They are discoverable in the event of litigation. Therefore, Gibbs & Olson does not allow text messaging to be utilized for Company related business unless it is essential. If text messaging is essential, the messages should be composed in a similar manner to email with no slang, abbreviations or symbols utilized.

Technology Use

Gibbs & Olson provides technology access as a tool for productive communication, work-related research, preparing work products, and to provide client support. Technology includes, but is not limited to, computer equipment, applications, content, shared files, removable storage devices, email, internet/intranet, scanners, copiers, plotters, phones, voice mail, faxes, etc. Technology systems are Company property (except in specific circumstances, see Gibbs & Olson's Cell Phone Policy) and are provided for employee use for lawful work-related purposes and limited lawful personal use.

Employees are expected to use technology appropriately and should not expect privacy or confidentiality of any information stored in or transmitted using any form of Gibbs & Olson's technology systems. Employees should assume that every electronic communication has the potential of being read or heard by a third party and could be used as evidence in a lawsuit or proceedings against Gibbs & Olson, or a client of Gibbs & Olson, or as grounds for termination of employment.

Without advance notice to the user, Gibbs & Olson may access documents or communications stored in its property or systems whenever warranted by business needs, security reasons, or legal requirements. Gibbs & Olson reserves the right to access all electronic media, including, but not limited to, personal folders, email files and voice mail messages for the purpose of investigating technology system problems; performing system maintenance; investigating possible security breaches or suspected misuse of company resources; protecting Company and client information; and maintaining a safe work environment. Usage patterns of technology may also be monitored for cost analysis purposes and to determine system needs, as well as any appropriate business purpose.

The use of Company property or email address for any purpose that may create an intimidating or discriminatory environment will not be tolerated. More specifically, the use of Company property or Company email address for the receipt, transmission or viewing of material of sexual or pornographic

nature, racist, or otherwise harassing material, or any material prohibited by federal, state or local law, during or outside of business hours is strictly prohibited. The email and other managed websites and systems may not be used to solicit for religious or political causes, commercial enterprises, outside organizations, or other non-job-related solicitations. Abuse of company-provided technology may subject an employee to disciplinary action, up to and, including termination. Any employee who is aware of the misuse of Gibbs & Olson technology systems should immediately report it to a their Department Manager or Managing Principal.

Social Media Guidelines

We understand social media can be a fun and rewarding way to share your life experiences and opinions with family, friends and coworkers; however, use of social media also presents certain risks and responsibilities. To assist in making responsible decisions about the use of social media, Gibbs & Olson has established guidelines for appropriate use.

These guidelines apply to all employees of Gibbs & Olson using electronic social networking of any kind. Social networking examples include Twitter, Facebook, LinkedIn, YouTube, blogs, bulletin boards, wikis, or any other service that allows user generated electronic content. Inappropriate use of such services can impact your employment.

Gibbs & Olson encourages the responsible use of online business networking using business-oriented sites such as LinkedIn. Participation on such sites is entirely voluntary. Do not post recommendations on LinkedIn or similar networking sites for vendors or other business associates that you know as a result of your employment at Gibbs & Olson unless you first obtain permission from the Managing Principal. Also, posting recommendations regarding current or former Gibbs & Olson employees is prohibited unless you include a disclaimer such as "This is my own opinion and does not necessarily reflect the views of Gibbs & Olson." There is one exception: If you are a supervisor or manager, you may post a recommendation for a former employee provided that you first obtain approval of your proposed text from the Managing Principal, to ensure that it is consistent with our personnel files.

Information you share is subject to applicable Gibbs & Olson policies regarding content, privacy expectations, company access, etc. All posts (whether on personal or business sites) must comply with Gibbs & Olson's Non-discrimination/Harassment Policy, must not be knowingly false, and must not result in the disclosure of trade secrets, protected health information, attorney-client privileged material, or information that would violate financial disclosure laws. Employees are expected to work in a cooperative manner with management/supervision, coworkers, customers and vendors. A non-management employee has the right to communicate regarding wages, hours or working conditions, but cannot post anything that could reasonably be interpreted as malicious, obscene, threatening, intimidating, harassing, or bullying. Do not discuss current or former clients, subconsultants, vendors, competitors, contractors, or coworkers without their express consent and the approval of the Managing Principal.

Be Honest and Accurate

Always be honest and accurate when posting information or news, and if a mistake is made, correct it quickly. Be open about any previous posts that you have altered. Remember that the internet archives almost everything; therefore, even deleted postings can be searched. Never post any information or

rumors that you know to be false about Gibbs & Olson, fellow employees, clients, subconsultants, vendors, competitors, contractors, etc.

Post Only Appropriate and Respectful Content

- Maintain the confidentiality of Gibbs & Olson trade secrets and private or confidential information. Trade secrets may include information regarding the development of systems, processes, products, know-how and technology. Do not post internal reports, policies, procedures or other internal business-related confidential communications.
- Do not create a link from a personal blog, website or other social networking site to a Gibbs & Olson website without approval from the Managing Principal and without identifying yourself as an employee of Gibbs & Olson.
- Express only personal opinions. Federal Trade Commission guidelines require that if you comment about one of Gibbs & Olson's services, you must identify yourself as a Gibbs & Olson employee. Unless you have been specifically designated as an official spokesperson, as part of your job duties, make it clear that your comment is your own opinion and you are not a company spokesperson. You cannot use company logos and trademarks without the Company's express written consent, except to the extent that you are a non-management employee exercising rights under the NLRA to communicate regarding wages, hours or working conditions. It is best to include a disclaimer such as "The postings on this site are my own and do not necessarily reflect the views, opinions or professional judgment of Gibbs & Olson."

Using Social Media at Work

Refrain from using social media while on work time or on Company owned equipment, unless it is work-related as authorized by your Department Manager, Managing Principal or consistent with the Company Technology Use Policy.

Do not use Gibbs & Olson email addresses to register on social networks, blogs or other online tools utilized for personal use.

Retaliation is Prohibited

Gibbs & Olson prohibits taking negative action against any employee for reporting a possible deviation from this policy or for cooperating in an investigation. Any employee who retaliates against another employee for reporting a possible deviation from this policy or for cooperating in an investigation will be subject to disciplinary action, up to, and including termination.

More Information

Information from your personal social networking sites that is protected under federal, state or local employment law will not be used in making employment decisions.

Gibbs & Olson recognizes that work relationships may develop into personal friendships. During personal time outside of work Gibbs & Olson understands individual participation in online social networks that are primarily personal in nature such as Facebook will occur. Generally, Gibbs & Olson discourages managers and supervisors from following or connecting with individuals they supervise on

these personal online social networks. Do not feel obligated to respond or connect with employees of Gibbs & Olson on personal online social networks.

If you have questions or need further guidance, please contact your Department Manager or Managing Principal.

Media Contacts

Do not speak to the media on Gibbs & Olson's behalf without contacting the Managing Principal. All media inquiries should be directed to the Managing Principal.

Vehicle Use

Gibbs & Olson vehicles are intended for Company business only. Some vehicles may be assigned to selected individuals for the duration of a project. Other vehicles may be available for periodic use as needed and reserved through a sign out procedure. The following general guidelines should apply:

- Vehicles are reserved using the shared Outlook calendar.
- Mileage records are to be maintained in the record books provided for each vehicle for all business and personal use. Mileage records for each vehicle shall be submitted to the Accounting Department no later than the last working day of each month.
- Routine maintenance such as oil/filter changes and routine cleanings should be scheduled by the person to whom the vehicle is assigned, or by the person using the vehicle when it is observed to be necessary. Gibbs & Olson maintains accounts at local establishments for this work. Please check with the Accounting Department for available vendors.
- Each driver is responsible for reporting the need for non-routine repairs and maintenance to the Vehicle Manager as soon as possible.
- Vehicles are to be returned ready for the next user. Keeping in mind a client may be the next passenger, it is important to remove equipment, documents, garbage, etc., and be sure the fuel tank is at least one-half full.
- Occasional personal use is permitted, if requested in advance, and mileage will be charged to the employee at one-half the rate charged by Gibbs & Olson as direct cost to projects. Personal use includes errands, personal travel and commuting. Personal use is any travel that is not on a direct route from the originating office to a business-related destination. If any employee is using a Company vehicle to report to a Gibbs & Olson office prior to proceeding to a project work site, the mileage is considered personal and should be recorded in the mileage log. Occasionally an employee may drive directly to a project work site from his/her home if it is in the Clients' best interest. In this case, mileage from home to the work site would be chargeable to the project. Personal use is to be recorded in the vehicle record book, and the cost for personal use will be deducted from the employee's paycheck.

Private Vehicles

When Company vehicles are not available, it may be necessary to use private vehicles in connection with employment at Gibbs & Olson. Employees will be reimbursed on a monthly basis at the "Standard Mileage Rate" allowed by the IRS. Use of private vehicles for Company business shall be accounted for as follows:

- **Travel directly related to a project for which reimbursement will be received by Gibbs & Olson-** Charge to the project number and indicate the miles traveled, the beginning and ending odometer readings on the time sheet under "Comments" and include P.V. to notate Personal Vehicle miles.
- **Travel not related to a project -** Indicate the date, destination, reason for the trip and miles traveled on the time sheet under "Comments" and include P.V. to notate Personal Vehicle miles. Any trip over seventy-five (75) miles not related directly to a project requires prior approval for the Department Manager or Managing Principal to be eligible for reimbursement.

Performance Development Plans / Reviews

Generally, the performance of an employee is evaluated as needed by his/her Department Manager and ongoing active feedback is provided, therefore, no traditional "performance reviews" are done. Instead, Performance Development Plans (PDPs) are developed by the employee, with input from their supervisor or a member of Gibbs & Olson's management. The PDPs serve as a tool to discuss accomplishments, expectations, continuing education and training needs, career goals, and any other topic that may be passed over during the course of a day. Gibbs & Olson can better help employees develop strengths, improve in weak areas, and achieve career objectives through open communication during the PDP process. Any aspect of the work environment or specific job duties can be discussed during the PDP process; however, this is not a wage review.

New employees should receive performance development plans/reviews at a minimum of once in the first twelve months of employment.

After the PDP review is conducted, the employee will be asked to sign the plan acknowledging that the items noted were discussed. Signing the form does not mean that the employee necessarily agrees with all the items discussed. If requested, an employee can decide to have their own written statement placed in their personnel file along with the written PDP review.

Voluntary Termination of Employment

If an employee elects to resign his/her position, for professional or personal reasons, a minimum of two (2) weeks' notice in writing is requested.

Gibbs & Olson's intention is to fully comply with all federal laws pertaining to retirement. Employees electing to retire from service with Gibbs & Olson are encouraged to notify their Department Manager or Managing Principal three (3) to four (4) months prior to their intended retirement date. The retiring employee is asked to submit written notice a minimum of four (4) weeks prior to their planned retirement date. Retirement benefits will be administered in accordance with the rules and regulations

of the Gibbs & Olson Retirement Savings Plan and the federal Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA).

Layoffs

Layoffs due to a reduction in workload may occur. If a layoff is necessary, affected employees will be provided as much notice as possible. Employee layoff decisions are made based on the existing workload within the company, and the qualifications and specific abilities of the employee to meet that workload. Benefits are provided to affected employees in accordance with applicable federal law and Company benefit plan descriptions.

Separation Procedures

When an employee terminates employment for any reason, voluntary or involuntary, the general guidelines below should be followed:

- An exit interview should be conducted for the purpose of obtaining information necessary to finalize the terminating employee's employment records, including final pay.
- Prior to termination, all outstanding expense reports must be filed, and monetary advances accounted for. Unused Paid Time Off or Paid Time Off taken in excess of time earned will be determined and calculated as of termination date.
- The terminating employee must return all Company property which has been issued or is listed on the Property Checkout List in his/her personnel file, including, but not limited to, office keys, vehicles and equipment.
- Except for employees who are discharged for reasons of gross misconduct, terminating employees will be provided the option of continuing medical coverage for themselves and/or eligible dependents, in accordance with COBRA.
- The terminating employee's final paycheck, including any pay for unused accrued Paid Time Off or deductions for excess Paid Time Off taken or monetary advances made, will be issued at the end of the pay period, or sooner at the Managing Principal's discretion.
- Any change in address upon or after separation must be reported to the Accounting Department so that income tax forms and other documents can be forwarded to the employee.
- Arrangements should be made with the Accounting Department to mail or pick up the employee's final paycheck.

Employee Status

Employee Categories

Gibbs & Olson employees fall into three different categories: Regular, Part-time, and Temporary.

Regular Employee

An employee regularly scheduled to work at least 40 hours per week for an indefinite period of time. Regular employees are eligible to participate in all Company benefits, subject only to any limitations and exclusions noted in the descriptions of those Company benefits.

Part-time Employee

An employee regularly scheduled to work less than 40 hours per week for an indefinite period of time. Those Part-time employees who are regularly scheduled to work at least 20 hours per week are eligible to receive full employer-provided group health benefits, and to participate in all other Company benefits in accordance with their regularly scheduled work hours, subject only to any limitations and exclusions noted in the descriptions of those Company benefits. Except for the Gibbs & Olson Retirement Savings Plan and Paid Sick Leave benefits, Part-time employees regularly scheduled to work less than 20 hours per week are not eligible for Company benefits or vacation leave time. Part-time employees regularly scheduled to work less than 20 hours per week may participate in the Gibbs & Olson Retirement Savings Plan, subject to any plan eligibility requirements, limitations or exclusions.

Temporary Employee

An employee whose term of employment is for a specific, known duration, or who is hired for a specific project. Except for the Gibbs & Olson Retirement Savings Plan and Paid Sick Leave benefits, Temporary employees are not eligible for Company benefits, paid vacation or paid holiday time. Temporary employees may participate in the Gibbs & Olson Retirement Savings Plan, subject to any plan eligibility requirements, limitations or exclusions.

While most Gibbs & Olson employees will be Regular, Part-time, or Temporary, the Company may employ outside consultants and pay them on a contract basis.

Overtime

Because Gibbs & Olson strives to meet client-obligations, overtime may be required, occasionally on short notice. Prior approval by a Department Manager or Managing Principal of Gibbs & Olson is required for all overtime. When a non-exempt employee is required to work overtime, all hours worked in excess of forty (40) hours in a work week will be paid at time-and-one-half their regular rate.

Seniority

Seniority is based on the number of years with Gibbs & Olson and may be used to help determine job assignments, promotions and layoffs. It may also be used to determine Paid Time Off approval in cases where requests for time off conflict with the need for Gibbs & Olson to meet project deadlines. When

making such decisions, consideration is also given to educational level attained, special expertise, and contributions to the growth of the Company.

Telecommuting

In accordance with Gibbs & Olson's Telecommuting Policy and Procedures, telecommuting is extended to select employees on a case-by-case basis as a courtesy and benefit which may coincide with personal preferences and schedules. Working remotely must, in all cases, be approved by the Managing Principal. If, for any reason, Gibbs & Olson determines that the best interests of any client, project, or the Company are not being served by having an employee work remotely, the remote working hours for that employee may be reviewed and modified to best serve the client, project and the Company.

Employee Salaries and Payroll Procedures

Wages

Gibbs & Olson employees hold positions, each with specialized and unique duties and responsibilities. These positions help determine the level of compensation and benefits for each employee; however, it is the policy of Gibbs & Olson to pay wages for all positions which:

- provide fair compensation for job duties and responsibilities, experience, skill, ability, effort and results;
- serve to attract and retain high quality individuals; and
- are administered uniformly and equitably throughout the Company.

Wage increases are neither automatic nor guaranteed. However, the Managing Principal reviews wages at least annually. Employees are encouraged to discuss any wage concerns they might have with the Managing Principal at any time.

Pay Periods

The pay period for Gibbs & Olson runs from the 1st through the last day of the month. Payday generally occurs within five (5) calendar days of the last working day of the month. Paychecks are available from the Accounting Department after 11 :30 am on payday. Employees should make prior arrangements with the Accounting Department if they will be out of the office on payday. Arrangements for direct deposit can be made through the Accounting Department.

Draws

Employees may arrange to take one draw mid-month. The amount of the draw may be any percentage up to a maximum of 60 percent of the amount owed the employee at the time the draw is requested, excluding any overtime pay. Requests for a draw should be made to the Accounting Department by the 15th of the month and will be issued as part of the Accounting Department's next check run.

Payroll Deductions

The following mandatory payroll deductions will be made from every employee's gross wages: federal income tax, social security tax (FICA), medicare tax, paid family and medical leave insurance, state industrial insurance, and any other applicable federal, state or local taxes.

Voluntary payroll deduction is also available for items such as 401k contributions, dependent medical and dental insurance premiums, supplementary insurance premiums, logged use of specified company supplies and services used for personal reasons, vehicle mileage for personal use of company vehicles, and costs for clothing with company logo in excess of the company's annual allowance.

Time Sheets

New employees will be given an initial orientation related to the proper completion of time sheets. Time sheets serve three functions:

- to provide a weekly staff summary report for all project managers;
- to provide the Accounting Department with information on the number of staff hours spent on each project so that clients can be billed accurately; and
- as the basis for the employee's pay for a given pay period.

Time should be recorded in no less than fifteen (15) minute increments. Any benefit hours the employee is reporting should be recorded in the correct overhead field.

Time sheets provide the foundation for billing our clients and are a source of information for clients and auditing agencies. The importance of using care and accuracy when charging project and task numbers and entering hours worked cannot be overemphasized. Employees should also provide a concise written description of the actual work performed. The project name alone is not an adequate work description. Be mindful when entering comments as some clients require copies of time sheets for audit purposes. Comments entered under every project, including overhead, should be appropriate for third party review and not used as a method of communicating superfluous information.

For example, comments such as "Not sure this is the right project" or "Move this time to 788. ___ or 999. ___ " should not appear on a submitted time sheet.

Each project has budget guidelines, and it is essential that each project manager know on any given date where a project stands relative to its budget and percentage of work completed. If there is any question of which project (or phase of a project) to use, employees should discuss it with the project manager before submitting their time sheets.

Time sheets must be signed by the employee, approved by the appropriate Department Manager and submitted to the Accounting Department no later than Monday for the previous week and on the last working day of each month.

If employees are on paid leave or out of the office for any reason, time sheets must be submitted before the end of the pay period. Failure to provide a time sheet by the end of the pay period may result in an employee's paycheck not being processed until the following pay period.

Any employee who falsifies a time sheet may be subject to disciplinary action, up to and including, termination.

Employee Benefits

Social Security / Medicare

All employees of Gibbs & Olson are covered under FICA (Social Security) and Medicare. Both the employee and the Company contribute to Social Security/Medicare, with the employee's portion deducted from their gross salary. These contributions are set by federal guidelines and may be amended from time to time.

Employees should contact the local Social Security Administration office for information regarding the current benefits available under the law.

Washington Paid Family & Medical Leave

Washington Paid Family and Medical Leave is a statewide insurance program. To qualify for Paid Family and Medical Leave, an employee must work 820 hours or more in the qualifying period. The qualifying period is the first four of the last five completed calendar quarters starting from when an employee makes a claim for benefits. This benefit cannot be taken without a qualifying event. Leave events can be either Family or Medical.

Workers' Compensation (Industrial Insurance)

Gibbs & Olson provides industrial insurance to all employees. The Company pays much of the cost of the insurance and a small amount, based on hours worked, is deducted from the employee's gross salary.

Workers' Compensation insurance provides protection to all employees against accidental injury while performing the business of the employer. It also insures against loss of time caused by illness resulting directly from employment. For specific information regarding workers' compensation benefits, employees should contact the Washington State Department of Labor & Industries.

In the event of injury or illness, all employees must immediately report the injury or illness to their Department Manager or Managing Principal. Failure to report injuries immediately may result in loss of benefits, may expose Gibbs & Olson to legal liability, and will subject any employee who fails to report an injury in a timely manner to disciplinary action.

Unemployment Insurance

As required by state and federal law, all Gibbs & Olson employees are covered by unemployment insurance. These benefits are generally available to anyone who loses his or her job through no fault of their own. Information on unemployment benefits can be obtained through the Washington State Unemployment Compensation Division, Benefits Section.

Group Insurance Programs

Regular and part-time employees may be eligible to participate in certain Company sponsored insurance programs. Programs are explained at the time of hire, and summary plan descriptions are provided at the time of enrollment and during the annual renewal period. In some cases, there may be a waiting period before coverage begins. The policy terms may also limit coverage depending upon the number of hours an

employee works. Gibbs & Olson currently pays the employee health insurance premium for all eligible employees. Qualifying family members of employees may be covered at the employee's expense, with the premium paid through payroll deduction. While not guaranteed, Gibbs & Olson may elect at its discretion, at the start of each policy term, to contribute a portion of the dependent premium for qualifying family members of employees.

Eligible employees that are eligible for health insurance coverage as a dependent through their spouse or domestic partner's health insurance plan may elect to opt out employee coverage under a Company offered health plan. Employees that opt out of coverage under a Company offered health plan will receive a quarterly bonus equal to 50% of the cost to cover the employee under the Company's base health plan for a given year. The quarterly bonuses are taxable income and subject to all federal and state income and payroll related taxes. The quarterly bonuses will be paid at the end of March, June, September and December.

COBRA

Current federal law gives employees and their dependents, under certain circumstances, the right to continue health benefit coverage for a limited period after they would otherwise lose their eligibility.

If, during employment, a "qualifying event" occurs to an employee or his/her covered dependents, they should consider whether to obtain continued coverage. The person covered must pay for continuation of coverage after a "qualifying event." A 2 percent surcharge may also be added to each premium to help defray the employer's administrative expenses. Continuation of coverage is also subject to completing the proper forms in a timely manner. These forms are obtained from the Company's Plan Administrator following a "qualifying event."

Should the "qualifying event" be either (3), (4), or (5) as described below, the employee, employee's spouse, or the eligible dependent has sixty (60) days from the date of the "qualifying event" to notify Gibbs & Olson of that "qualifying event" or continuation of coverage will be denied. Please request the proper forms from the Company's Plan Administrator. Any changes of address for covered persons should be reported to the Company's Plan Administrator for administrative purposes.

Qualifying Events

- (1) Termination of the employee's employment (other than for gross misconduct), or reduction of hours worked which renders the employee ineligible for coverage;
- (2) Death of employee;
- (3) **Divorce or legal separation;**
- (4) **For a spouse and eligible dependents, loss of coverage due to the employee becoming eligible for Medicare; or**
- (5) **For a dependent child, ceasing to qualify as a dependent under the plan.**

If notice is not provided during the sixty (60)-day time period, any spouse or dependent child who loses coverage will not be offered the option to elect continuation coverage.

Professional Liability Insurance

The professional staff at Gibbs & Olson works as a team; therefore, the Company provides professional liability coverage for its professional employees. Gibbs & Olson will defend any suits or claims brought against individual professional employees of the Company, in connection with their authorized professional services on behalf of Gibbs & Olson, subject to policy exclusions. The Company will hold harmless individuals so involved, except in cases where gross negligence or willful misconduct is evident.

Retirement Savings Plan

The Gibbs & Olson Retirement Savings Plan (the Plan) is intended to help provide financial security and to reward the long-term service and performance of eligible employees. The Plan meets IRS Code Section 401k requirements, allowing pre-tax dollars to be accumulated for retirement and financial security.

Employees become eligible to participate in the Plan on the first entry date after completing one (1) year of employment with at least one thousand (1,000) hours of service and are not: 1) a non-resident alien, 2) a leased employee, or 3) represented for collective bargaining purposes by any bargaining unit. Once an employee meets the eligibility requirements, plan entry may be the first day of the following month.

Participants in the Plan may elect to have no less than three (3) percent deducted from their eligible pay applied toward the Plan. In addition, Gibbs & Olson may make a special safe harbor contribution. If the Board of Directors decides to make this contribution, then eligible employees will receive a supplemental notice during the Plan year informing them of this decision. If this safe harbor contribution is made, it will be at least three (3) percent of your compensation and is one hundred (100) percent vested. The Plan counts pay only for the period in which an individual is an eligible employee. Participants may also choose to make a supplemental monthly contribution up to the maximum annual dollar limit as determined by the IRS. Plan participants who will be at least age fifty (50) by the end of a Plan year are eligible to make an additional "catch up" elective deferral for that year. The maximum elective deferral contribution is subject to change each year, and federal law limits the amount that can be deferred under all retirement plans.

The Board of Directors may authorize the Company to contribute a discretionary additional amount to the Plan at any time. Any discretionary additional amount contributed will be distributed among all eligible employees based on the percentage of any one employee's income to the total income of all employees and in accordance with applicable Plan and federal requirements.

The rules and regulations of the Plan may vary, in accordance with current IRS requirements. Further information on the Plan may be obtained from the Company Plan Administrator.

Section 125 Premium Only Plan

Gibbs & Olson has a Section 125 Premium Only Plan that allows qualifying participant employees to utilize pre-tax dollars via payroll deduction to pay the employee's share of dependent health insurance premiums.

Regular and Part-time employees scheduled to work at least twenty (20) hours per week and twelve (12) months during each calendar year may be eligible to participate in the Section 125 Premium Only Plan subject to federal regulations and certain waiting periods.

The Section 125 Premium Only Plan may be amended as needed to comply with the IRS Code and Treasury Regulations as they may be modified by law.

Professional Development

Ongoing education and improving relevant professional skills are beneficial to both the employee and the Company. For regular full-time employees, Gibbs & Olson will pay for tuition and books upon completion of continuing education courses closely related to an employee's work. The Company will not reimburse employees for course work towards earning a degree. To be eligible for continuing education reimbursement, an employee must have completed at least six (6) months of employment with Gibbs & Olson. Prior approval of the Managing Principal is required along with a course grade of "C" or better.

Employees are expected to develop and learn skills related to their jobs during any downtime within their regularly scheduled hours. This could include additional training on current or new software used in the Company or use of free online training courses.

Educational seminars and training courses of a short-term duration are addressed under Orientation and Training.

Professional Registration

Gibbs & Olson urges all professionally licensed staff to obtain their license as soon as they are qualified. The Company will pay for reasonable and normal expenses incurred in obtaining professional licenses in Oregon and Washington, including initial exam fees and one day's wages while out of the office to take the exam. Gibbs & Olson will also pay annual renewal fees for each state license that is required by the Company.

Professional and Technical Societies

Gibbs & Olson encourages active participation in technical and professional societies and will reimburse up to \$100 towards annual dues in one (1) such organization for each professional licensed employee. Additional memberships may be paid for with the approval of the Managing Principal.

Company Apparel

Gibbs & Olson provides an annual apparel allowance of \$150 per employee through Gibbs & Olson's company store at Lands' End. Our intention is to assist employees in purchasing clothing to help build team spirit and promote company pride. Total cost includes shipping, handling, application fees, taxes or any other charges. Purchase costs more than the employee's annual apparel allowance are paid by the employee via payroll deduction.

Employee Leave

Vacation

Regular and qualifying part-time employees are eligible to take vacation after the six (6)-month orientation period is completed. Part-time employees regularly scheduled to work twenty (20) to thirty-nine (39) hours per week accrue vacation on a pro-rated basis. For the purposes of determining total vacation each calendar year, vacation will accrue per the schedule found in Appendix A, with the combined total hours available for use in advance of being earned, as of January 1st of each year. Vacation is intended to be a pool of hours to be used at the employee's discretion for time away from the office for vacation, family leave and personal time.

For newly-hired regular and part-time employees, vacation will accrue from the date of employment, and be available for use following completion of the six (6)-month orientation period. Vacation may be taken through December 31st following the orientation period. Any earned vacation not taken as of December 31st each year will be paid out as compensation in the December payroll. Thereafter, vacation begins accruing with the January pay period of each year and must be taken in the year that it is earned. Pay periods for Gibbs & Olson run from the 1st of each month through the last work day of the month.

Gibbs & Olson's policy is to allow employees to "borrow" vacation during the year, if necessary, up to the limit of the total vacation available for the year. If employment is terminated during the year, a calculation of the actual vacation hours earned (based on the schedule in Appendix A), versus the vacation used to date will be performed. If more vacation has been earned than has been used, compensation for the earned but unused vacation time will be included in the employee's final paycheck. Conversely, if more vacation has been used than has been earned as of the week of termination, wages for the "borrowed but not yet earned" vacation will be deducted from the employee's final paycheck.

Requesting and Scheduling Vacation

Employees are expected to give as much notice as possible for time away from the office. Due to the nature of our business, project deadlines, and staff seniority, all requests for more than three (3) consecutive days should be made at least two (2) weeks prior to the dates requested. All vacation requests are subject to prior approval of the appropriate Department Manager or the Managing Principal who will coordinate staff time off with project schedules. At the discretion the Department Manager or Managing Principal may be authorized.

Paid Sick Leave

In accordance with Washington State law, all employees accrue one (1) hour of paid sick leave for every forty (40) hours worked. An employee does not accrue paid sick leave for hours paid while not working (such as vacation, paid holidays, leave without pay, or while using paid sick leave). The accrual year is January 1st through December 31st. Accrued, unused paid sick leave balances at the end of the accrual year of forty (40) hours or less, as required by state law, are carried over to the following year. If unused paid sick leave is carried over to the following year, accrual of paid sick leave in the subsequent year is in

addition to the hours carried over from the previous year. Paid sick leave balances in excess of forty (40) hours at the end of the accrual year will be forfeited.

An employee will be paid their normal hourly compensation for each hour of paid sick leave used. Gibbs & Olson requires employees to use paid sick leave in increments of fifteen (15) minutes.

An employee will begin to accrue sick leave on the first day of employment.

An employee can utilize their accrued, unused paid sick leave beginning on the 90th calendar day after the start of their employment with Gibbs & Olson.

An employee may borrow from the paid sick leave they will accrue for the current year if necessary.

Example: An employee gets the flu on February 1st and misses three (3) days of work. From January 1st through January 31st. The employee accrued four and a half (4.5) hours of paid sick leave but uses twenty-four (24) hours of sick leave between February 1st and February 3rd. The employee can borrow the difference of nineteen and half (19.5) hours from the paid sick leave the employee will accrue in the coming months. Therefore, the paid sick leave the employee will accrue in the coming months for this particular event will be included in the employee's February pay check.

Authorized uses of paid sick leave include:

- care of the employee or the employee's family member;
- closure of the employee's child's school or place of care;
- to address issues related to domestic violence, sexual assault, or stalking;
- scheduled or emergency medical or dental appointments;
- any other reasons allowable under Washington State and federal law.

Gibbs & Olson's Share Paid Sick Leave Program provides employees the opportunity to receive and use donated paid sick leave, and to donate their accrued, or a portion of their accrued, paid sick leave to other employees. Please see Gibbs & Olson's Paid Sick Leave Policy for additional details and information regarding the paid sick leave benefit.

Holidays

Regular and Part-time employees working more than twenty (20) hours per week receive days off with pay for holidays, with those employees scheduled to work twenty (20) to thirty-nine (39) hours per week receiving holiday pay at .0462 times the number of regularly scheduled hours worked per month. Gibbs & Olson recognizes the following holidays:

- New Year's Day
- Presidents Day
- Memorial Day
- Fourth of July

- Labor Day
- Thanksgiving Day
- Friday after Thanksgiving
- Christmas Day

Holidays will be observed on the date established by the Washington State Legislature. If an employee is required to work on one of the recognized holidays, the employee will be paid for hours worked on the holiday in addition to holiday pay.

Inclement Weather

During severe weather conditions, employees may be unable to come into work. In such cases, employees may take the day off and either use vacation or take the day as leave without pay. Any staff members scheduled to work remotely, and that are not impacted by severe weather conditions are expected to work their usual hours to the extent possible. See the Gibbs & Olson Telecommuting Policy.

Maternity Disability Leave

Gibbs & Olson grants job-protected maternity leave to all employees for the actual period of disability associated with pregnancy and childbirth, generally six (6) to eight (8) weeks. The employee may work if the employee is able, and decides, with the concurrence of her doctor, when the leave will begin. During maternity disability leave, employees may use any accrued Paid Time Off, and company benefits will be continued while paid leave time is being used. Seniority and reinstatement rights are protected during maternity disability leave. Group health insurance may be continued under COBRA at the employee's expense if, or when, the employee goes on leave without pay. All other voluntary benefits do not accrue beyond the paid portion of the leave.

If time off beyond the disability period is desired, a request for an extended unpaid leave of absence should be made in writing to the Managing Principal. Requests for unpaid leave will be considered based on the employee's length of service, work quality, responsibility level and impact on Gibbs & Olson. Continued employment is not guaranteed beyond the period of actual disability as determined by the employee's physician.

Fathers, stepparents or adoptive parents desiring to take leave time at the time of birth or adoption may use vacation or request an unpaid leave of absence in writing to the Managing Principal. See Gibbs & Olson's Family Leave Policy for situations where a spouse or newborn child has a health condition requiring treatment or supervision, such as a cesarean birth.

Family Leave

Employees with available paid sick leave and/or vacation may use that paid sick leave or vacation to care for a spouse, child, parent, parent-in-law, or grandparent of the employee with a health condition that requires treatment or supervision. Under the Washington State Family Leave Law Revised Code of Washington (RCW) 49.12 the following definitions apply:

- **"Child"** - a biological, adopted, foster, stepchild, legal ward, or a child of a person standing in loco parentis who is: (a) under eighteen (18) years of age; or (b) eighteen (18) years of age and older and incapable of self-care because of a mental or physical disability.
- **"Grandparent"** - a parent of a parent of an employee.
- **"Parent"** - a biological, adoptive, de facto, or foster parent, stepparent, or legal guardian of an employee or the employee's spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child.
- **"Spouse"** - a husband or wife, as the case may be.
- **"Registered Domestic Partner"** - as defined in the RCW 26.60.020.

All benefits will continue during the paid portion of the leave. If time off beyond the paid leave period is required, the employee should make arrangements with the Managing Principal for a leave of absence without pay. Group health insurance may be continued under COBRA at the employee's expense, if or when, the employee is on unpaid leave without pay. All voluntary benefits do not accrue beyond the paid portion of the leave.

Leave of Absence Without Pay

An employee may be granted a leave of absence without pay for personal, medical, or educational reasons. Requests for such leave should be made in writing to the Managing Principal of Gibbs & Olson. Requests are considered based on the employee's length of service, quality of work, level of responsibility, and impact on the Company. Except when the employee is off on maternity disability leave, continued employment is not guaranteed following a leave without pay. If an employee is granted additional leave without pay beyond the period of disability associated with pregnancy and childbirth, the leave will no longer be considered maternity disability leave, but an unpaid leave of absence with no guarantee of continued employment.

All benefits are discontinued during a leave without pay. Holidays are not paid and the employee ceases to accrue vacation and paid sick leave. Group health insurance may be continued under COBRA at the employee's expense.

Bereavement Leave

Employees are provided three (3) paid working days off to be with family and attend the funeral upon the death of an immediate family member. An immediate family member is limited to the employee's spouse, parents, children, brothers, sisters, grandparents, grandchildren, son-in-law, daughter-in-law, mother-in-law, father-in-law, stepparents and stepchildren.

Employees may use one paid working day to attend the funeral upon the death of a brother-in-law, sister-in-law, aunt, uncle, niece, nephew and first cousin.

If Bereavement Leave is taken, with the previously mentioned circumstances, it should be referenced in Ajera under the General Admin category under Overhead.

Under special circumstances, bereavement leave beyond the stated amount for an immediate family member, may be granted upon approval of the employee's Department Manager or Managing Principal, and will be deducted from the employee's available vacation, provided an accrual balance is available. If an accrual amount is not available, the employee may be granted up to three (3) days leave without pay.

Bereavement leave pay will not be granted for any day on which an employee is not scheduled to work. Employees should notify their supervisor of the need for bereavement leave no later than the workday on which the leave is to begin.

Jury Duty

Employees who are summoned for jury duty should notify their Department Manager or Managing Principal as soon as possible. Gibbs & Olson will pay the difference between the employee's regular wages and pay received from the court for the first ten (10) days of jury duty. Jury pay will not exceed eight (8) hours pay per day served. The Managing Principal will review compensation for jury duty beyond ten (10) days on a case-by-case basis. Employees are expected to return to work when less than the entire workday is spent on jury duty.

Appendix A

Paid Time Off Accrual Schedule

From Start of Year	to	End of Year	Vacation Hours	Hours Accrued Per Month	Accrual for Regular Part time Employees Working 20-39 hrs per week
*Employment	to	1	80	6.67	0.0385 x Regularly scheduled hours
1 Yr + 1 Day	to	2	88	7.33	0.0423 x Regularly scheduled hours
2 Yr + 1 Day	to	3	96	8.00	0.0462 x Regularly scheduled hours
3 Yr + 1 Day	to	4	104	8.67	0.0500 x Regularly scheduled hours
4 Yr + 1 Day	to	5	112	9.33	0.0538 x Regularly scheduled hours
5 Yr + 1 Day	to	6	120	10.00	0.0577 x Regularly scheduled hours
6 Yr + 1 Day	to	7	124	10.33	0.0596 x Regularly scheduled hours
7 Yr + 1 Day	to	8	128	10.67	0.0615 x Regularly scheduled hours
8 Yr + 1 Day	to	9	132	11.00	0.0635 x Regularly scheduled hours
9 Yr + 1 Day	to	10	136	11.33	0.0654 x Regularly scheduled hours
10 Yr + 1 Day	to	11	140	11.67	0.0673 x Regularly scheduled hours
11 Yr + 1 Day	to	12	144	12.00	0.0692 x Regularly scheduled hours
12 Yr + 1 Day	to	13	148	12.33	0.0712 x Regularly scheduled hours
13 Yr + 1 Day	to	14	152	12.67	0.0731 x Regularly scheduled hours
14 Yr + 1 Day	to	15	156	13.00	0.0750 x Regularly scheduled hours
15 Yr + 1 Day	to	16	160	13.33	0.0769 x Regularly scheduled hours

* Note 1 - For the initial calendar year, vacation is pro-rated from the date of employment to 12/31.

Note 2 - Maximum amount of Vacation Hours is 160 per year.