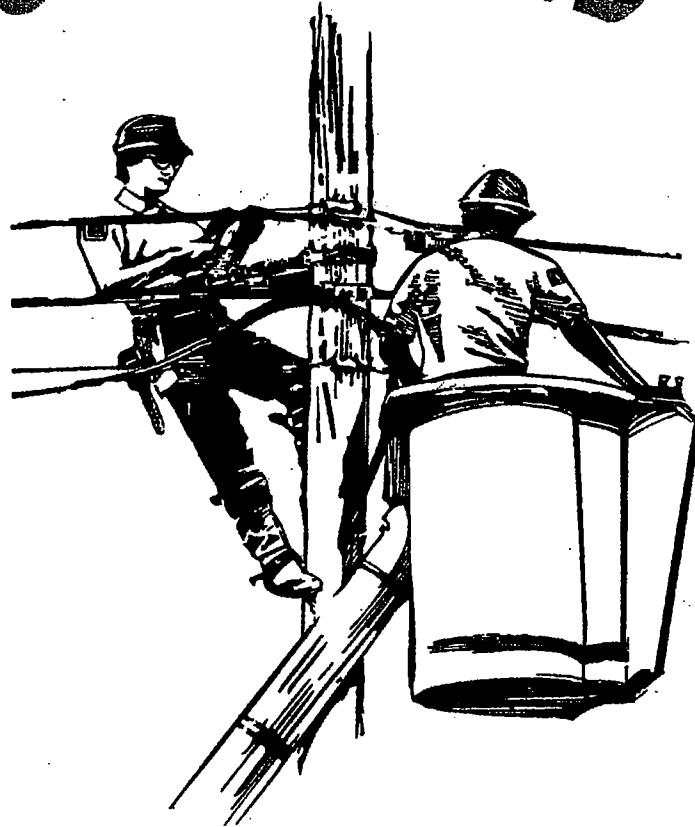


EMPLOYEE HANDBOOK

COMMUNICATIONS UNLIMITED



CABLE SERVICES

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COMMUNICATIONS UNLIMITED, INC.

WELCOME NEW EMPLOYEE!!

On behalf of your colleagues, we welcome you to Communications Unlimited, Inc. (herein after called CUI), and wish you every success here. Our employees are our greatest assets. We believe that each employee contributes directly to CUI's growth and success, and we hope you will take pride in being a member of our team.

This manual was developed to describe and outline the policies, programs, and benefits available to eligible employees. Employees should familiarize themselves with the contents of the employee manual as soon as possible, for it will answer many questions about employment with CUI. Please take the time to carefully read our policies.

PLEASE REMEMBER THAT NO POLICY HEREIN CREATES OR CONSTITUTES A CONTRACT BETWEEN CUI AND ITS EMPLOYEES OR IN ANY WAY ALTERS THE AT-WILL NATURE OF THE EMPLOYMENT RELATIONSHIP.

The manual is a recitation of CUI's rules, regulations and guidelines. It has been designed to acquaint you with CUI and to provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. You should read, understand, and comply with all provisions of the manual. It describes many of your responsibilities as an employee and outlines programs developed by CUI to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth.

No employee manual can anticipate every circumstance or question about policy. As CUI continues to grow, the need may arise, and CUI reserves the right to revise, supplement, or rescind any policies or portion of the manual from time to time as it deems appropriate, in its sole or absolute discretion. The only exception to any changes is our employment-at-will policy permitting you and CUI to end our relationship for any reason at any time. Employees will, of course, be notified of such changes to the manual as they occur. Our general policy is simple - we treat all of our employees, our clients, and our vendors with courtesy, dignity, and respect at all times. Our specific policies will be found herein.

We care and will follow-up with you regularly to make certain our mutual goals and needs are being addressed. And if you have problems and communicate those problems to us, we will respond promptly and fairly. We hope that your experience here will be challenging, enjoyable, and rewarding. Again, welcome!



Martin Rocha
President

Employee benefits are more accurately and fully described in our benefits booklets. If there are any differences between this manual and benefits booklets, the benefits booklets prevail.

Mission Statement

Communications Unlimited, Inc. ("CUI") succeeds by delivering outstanding performance.

We believe in service beyond expectation, achieved through a constant desire to anticipate and fulfill evolving customer needs.

The honesty, intelligence, and commitment of our people are vital to this company's mission. Together we share the company's positive impact on the community, and strive to respect each individual employee's contribution at each level.

Exemplary customer relationships drive CUI's growth and prosperity.

CUI is dedicated to exceeding its present reputation of excellence. We stand at the forefront to provide the finest and healthiest environments attainable in the industry.

AT WILL NATURE OF EMPLOYMENT

Employment with CUI is on an At-Will Basis. This means that the employment relationship may be terminated at any time by either CUI or the employee for any reason not expressly prohibited by law. Any oral or written statement by anyone to the contrary is invalid, and should not be relied upon by any prospective or existing employee unless it is a written agreement which is identified as an "Employment Agreement" and is signed by the President of CUI.

OPEN DOOR POLICY

CUI maintains an open-door policy which permits an employee to discuss problems, concerns, or grievances with your immediate supervisor, then the Regional Manager. If, and only if the situation is not resolved to your satisfaction and further discussion is needed, contact the corporate offices to schedule an appointment. If an employee has a problem that relates to his/her job, and particularly if the problem is in the nature of a complaint, the employee is strongly urged to contact his or her manager immediately. Whenever possible, the employee should also submit a written summary of the problem so that CUI will have complete and properly documented information. The employee may be assured that his/her personal concerns can be voiced without fear of reprisal. However, it is not proper for an employee to complain in bad faith, or solely for the purpose of delay or harassment.

Employees are reminded that CUI has a Management Chain of Command. This chain of command allows complaints to be resolved in an expeditious manner. Employees are urged not to circumvent their immediate managers with job complaints unless the complaint personally refers to the manager in question. Managers are in place to solve employee issues to the extent practicable. Skipping levels of management may result in delay of resolution of your problems. If you feel that your complaints are still not resolved to your satisfaction, please contact the President, Martin Rocha or Joey Miller at (205) 402-0515 and leave a message.

Your call will be returned on a dedicated private number where our employees have the freedom to discuss any fears or complaints you may have without concern their calls will be publicly monitored.

OUR EQUAL EMPLOYMENT POLICY

CUI has, on many occasions, expressed support and commitment to the principle of equal employment opportunity. It is our policy to recruit, hire, train, promote, and compensate individuals, and to administer any and all personnel citations in accordance with applicable laws, without regard to race, color, religion, creed, age, sex, national origin or ancestry, status as a current or former member of the uniformed services, or status as a qualified individual with a disability. CUI believes that all employees have the right to work in an environment free of discrimination or harassment of any kind. This policy governs all aspects of employment, including selection, job assignment, promotions, compensation, discipline, termination, and access to benefits and training. CUI will not tolerate any unlawful discrimination, and any such conduct is prohibited. CUI will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship to CUI or present other significant operational problems.

CUI also prohibits any harassment based on the legally protected categories set forth above. Harassment is verbal or physical conduct that denigrates or shows hostility or aversion towards an individual because of this protected attributes, and that (1) has the purpose or effect of creating an intimidating, hostile, or offensive working environment as defined by law; or (2) has the purpose or effect of unreasonably interfering with an individual's work performance; or (3) otherwise adversely effects an individual's employment opportunities. For more information see the "Sexual and Other Unlawful Harassment" policy.

All employees, regardless of position or title, will be subject to severe discipline, up to and including discharge, should CUI determine that an employee is engaged in unlawful discrimination or harassment. Any employee who feels that this policy is not being observed is encouraged to immediately contact the Director of Staff Development or the President. Whenever possible, the employee should also submit a written summary of the problem so that CUI will have complete and properly documented information. All reports will be treated as

confidential to the extent practicable. No one will be subjected to any form of discipline or retaliation for reporting incidents of unlawful discrimination or harassment or pursuing any such claim. CUI will promptly and thoroughly investigate the facts and circumstances of any reported incident. This form is located at the end of this handbook and use of it is required to be filled out when reporting harassing events.

DISABILITY ACCOMMODATION

CUI is committed to complying fully with the Americans with Disabilities Act (ADA) and ensuring equal opportunities in employment for qualified persons with disabilities. All employment practices and activities are conducted on a non-discriminatory basis.

CUI's hiring procedures have been reviewed and persons with disabilities are provided meaningful employment opportunities. Pre-employment inquiries, regarding an applicant's ability to perform the duties of the position, are only made after a conditional offer of employment is given.

Reasonable accommodation is available to all qualified disabled employees when their disability affects the performance of essential job functions. All employment decisions are based on the merits of the situation – not the disability of the individual. CUI also does not discriminate against any qualified employee or applicant because (s)he is related to or associated with a person with a disability.

This policy is neither exhaustive nor exclusive. CUI is committed to taking other actions necessary to ensure equal employment opportunities for persons with disabilities in accordance with the ADA and all other applicable federal and state laws. If an employee feels that (s)he has been discriminated against based upon disability status, (s)he should contact first, the immediate supervisor, then, any supervisor or any member of management or the President, or if bringing the situation to your immediate supervisor or the President's attention would be inappropriate. All reports will be treated as confidential to the extent practicable. No one will be subject to any form of discipline or retaliation for reporting incidents of unlawful discrimination or harassment or pursuing any such claim. CUI will promptly and thoroughly investigate the facts and circumstances of any reported incident.

EQUAL PAY

CUI does not discriminate against employees on the basis of sex. Specifically, CUI does not pay an employee at a rate less than the rate at which it pays another employee of the opposite sex for comparable work on jobs which require substantially similar skill, effort, and have substantially similar responsibilities. Differentials are allowed which are paid pursuant to established incentives and merit increase systems. However, CUI's policy directs that these differentials must not discriminate against employees on the basis of sex.

IMMIGRATION LAW COMPLIANCE

CUI is committed to employing United States citizens and immigrants who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin. In compliance with the Immigration Reform and Control Act of 1986, as a condition of employment, each new employee must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with CUI within the past three (3) years, or if their previous I-9 is no longer retained or valid.

Employees with questions or those seeking more information on immigration law issues are encouraged to contact the Director of Staff Development. Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

EMPLOYMENT CATEGORIES

It is the intent of CUI to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time nor do they obligate CUI to provide the employee any set number of hours of work within a particular week. Accordingly, both the employee and CUI may terminate the employment relationship at-will at any time. Each employee is designated as either NON-EXEMPT or EXEMPT from federal wage and hour laws.

NON-EXEMPT employees are entitled to overtime pay or compensatory time under the specific provisions of federal and state laws. This designation may include both hourly employees as well as certain salaried employees. However, non-exempt employees are not permitted to work any overtime unless they first obtain specific written authorization or approval from their Supervisor or manager.

EXEMPT employees are excluded from specific provisions of federal wage and hour laws and are not eligible for overtime pay. This designation includes only salaried employees who are engaged in executive, administrative, professional capacities as defined in the federal regulations implementing the Fair Labor Standards Act.

In addition to the above categories, each employee will belong to one of the following categories:

Probationary employees are those whose performance is being evaluated to determine whether further employment in a specific position with CUI is appropriate. Employees who satisfactorily complete the probationary period will be notified of their subsequent employment classification. For more information, see the policy entitled "Probationary Period".

Regular Full-Time employees are those who are regularly scheduled to work the full-time schedule, which is typically a 40-hour work week, have satisfactorily completed the introductory period, and are not otherwise temporary help. They are generally eligible to receive CUI provided benefits, subject to the terms, conditions, and limitations of each benefit program.

Part-Time employees are those who are regularly scheduled to work less than 40 hours within a work week, has satisfactorily completed the introductory period, and are not otherwise temporary help. While they do receive all legally mandated benefits (such as Social Security and worker's compensation insurance), they are generally not eligible to participate in any of CUI's other benefit programs.

Temporary / Contract employees may work 40 hours or less within a work week, but are distinguished from regular employees in that they are hired to serve as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary / Contract employees retain that temporary status unless and until notified by CUI in writing of a change. While temporary / contract employees receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are generally not eligible to participate in any CUI's other benefit programs.

Per Diem employees are those who routinely work either a full-time or a part-time schedule and who accept additional compensation in lieu of participation in all but legally mandated benefit programs. CUI offers this category to limited classifications of employees and to limited numbers of employees. Individuals participating in this program must sign waivers of their rights to participate in the benefits program applicable to regular employees. Service in this category cannot be credited in any way toward any benefit program, even if the employee is later assigned to a benefit-eligible category. A change to or from this category can be accomplished only with the written consent of management.

Casual employees are those who have established an employment relationship with CUI, but who are assigned to work on an intermittent and/or unpredictable basis. While they receive all legally mandated

benefits (such as worker's compensation insurance and Social Security), they are ineligible for all of CUI's other benefit programs.

PROBATIONARY PERIOD

The introductory period is intended to give new and *rehired* employees the opportunity to demonstrate their ability to achieve a satisfactory level of performance and to determine whether the new position meets their expectations. CUI uses this period to evaluate employee capabilities, work habits, and overall performance. Reasonable consideration and assistance will be given to help the employee succeed; however, either the employee or CUI may end the employment relationship at any time during or after the introductory period, with or without cause or advance notice.

All new and rehired employees work on an introductory basis for the first ninety (90) days calendar days after their date of hire. Any significant absence will automatically extend the introductory period by the length of the absence. If CUI determines that the designated introductory period does not allow sufficient time to thoroughly evaluate the employee's performance, the introductory period may be extended for a specified period. Employees will be notified when their probationary period is extended.

Each promotion into a new position with new responsibilities will require a new probationary period.

Upon satisfactory completion of the introductory period, employees enter the "regular" employment classification. However, satisfactory completion of the introductory period does not affect in any way the "employment at-will" status of the employee. That is, the employee or CUI may still end the relationship at any time, with or without cause or advance notice.

OUTSIDE ACTIVITIES

The activities of any employee, whether on or off the job, which in the judgment of CUI, may interfere with an employee's proper performance or attendance on the job will not be tolerated, and, within the limits prescribed by federal and state law, may subject an employee to immediate termination.

Certain activities which obviously are not proper for employees include, but are not limited to, use of CUI's time, facilities, or equipment to engage in another business or occupation, and any outside activity which results in lost time from work, being distracted from work, performance unsatisfactorily at work, or which could result in an appearance of conflict of CUI's interests.

ACCEPTABLE STANDARDS OF OPERATION

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which CUI wishes to operate. The purpose of these guidelines is to provide general direction so that employees can see further clarification on issues related to the subject of acceptable standards of operation.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision which may result in a personal gain for that employee or for a relative as a result of CUI's business dealings. For the purpose of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

No "presumption of guilt" is created by the mere existence of a relationship with outside companies. However, if employees have any influence on business transactions, it is imperative that they disclose the existence of any actual or potential conflict of interest to an officer of CUI as soon as possible so that safeguards can be established to protect all parties. Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm in which CUI does business, but also when an employee or relative receives any kickbacks, bribe, substantial gift or special consideration as a result of any transaction or business dealings involving CUI. Accordingly, receiving kickbacks, bribes, substantial gifts or special

consideration related to transactions or business dealings is prohibited.

By definition, a substantial gift does not include anything of nominal value. By its own terms, a nominal amount is modest, small or moderate. While it is difficult to define what constitutes a substantial gift, this category would include anything lavish or extravagant. Additionally, the aggregate value of multiple nominal gifts should be considered.

Giving or accepting substantial gifts from persons with whom CUI conducts or may conduct business is unacceptable. To protect you and CUI, every employee must understand the serious implications of accepting gifts from any individual or firm who supplies or wishes to supply materials or services to CUI. If a gift is offered to you, contact any member of management or President for approval. Failure to comply with this policy could lead to disciplinary action up to and including termination.

BUSINESS ETHICS AND CONDUCT

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

The continued success of CUI is dependent upon our clients' trust and we are dedicated to preserving that trust. Employees owe a duty to CUI and its clients to act in a way that will merit the continued trust and confidence of the public.

CUI will comply with all applicable laws and regulations and expects its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct. In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine the proper course of action, the matter should be discussed openly with your immediate supervisor, and, if necessary, schedule an appointment in the corporate offices for advice and consultation.

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

CONFIDENTIALITY

In the course of your employment with us, you may see confidential information such as customer lists and proposals, and/or other financial information. It is against our policy to disclose to anyone confidential information regarding the operations of CUI.

Because it is vital to the interest and success of the Company that business information and trade secrets be protected, certain individuals may be asked to sign a non-disclosure agreement as a condition of their employment.

Disclosure of confidential information concerning the operations of CUI is strictly prohibited.

ACCESS TO PERSONNEL FILES

CUI maintains a personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records. These files are located both in the corporate headquarters in Birmingham, Alabama, with copies in the branch locations. Personnel files will remain locked at all times in both locations.

Personnel files are the property of CUI, and access to the information they contain is restricted. Generally, only the management of CUI who have a legitimate reason to review information in a file is allowed to do so.

Employees who wish to review their own files should contact their direct supervisor or their regional manager. With reasonable advance notice, employees may review their own personnel files in CUI's offices and in the presence of an individual appointed by CUI to maintain the files.

EMPLOYMENT REFERENCE CHECKS AND APPLICATIONS

To ensure that individuals who join CUI are well qualified and have a strong potential to be productive and successful, it is the policy of CUI to check the employment references of all applicants. CUI relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process and employment. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment or, if the person is an employee, termination of employment.

Corporate offices will respond in writing only to written reference check inquiries from outside sources regarding current or former employees. Responses to such inquiries will confirm only dates of employment, wage rates, and position(s) held. No employment data will be released without a written authorization and release signed by the individual who is the subject of the inquiry.

ABSENTEEISM AND TARDINESS

CUI relies on each employee to report to work regularly and on time. Every employee, except when unable to do so, due to serious illness or injury, shall personally notify their immediate supervisor, as far in advance as possible whenever the employee will be late or absent. The employee must state the reason for such lateness or absence, and advise their supervisor and/or any member of management when the employee expects to return to work. If no one is available when the employee calls, the employee must leave a voice mail message. The message should include a telephone number where the employee can be reached during work hours. If the employee is so ill that the employee is physically unable to make a personal call, the employee may have someone else call for him/her. This notice must be given for each day of absence and each instance of tardiness.

If an employee must leave work early, the employee must notify the employee's supervisor and the appropriate branch location in advance. Obviously, following these steps does not excuse the absence. No absence is automatically considered to be "excused" as such. CUI will take disciplinary action, up to and including immediate termination, where absenteeism or lateness is chronic, habitual, and excessive or otherwise causes an employee's attendance to be unpredictable.

SEXUAL AND OTHER UNLAWFUL HARASSMENT

CUI is committed to providing a work environment that is free of discrimination and unlawful harassment, including sexual harassment. Actions, words, pictures, jokes, or comments based on an individual's sex, race, ethnicity, age, religion, disability, or any other legally protected characteristic will not be tolerated. For example, derogatory remarks, epithets, uninvited body contact, slurs, negative stereotyping, threats, intimidation, denigrating or hostile written or graphic materials posted or circulated in the workplace are all forms of employee misconduct that demean another person, undermine the integrity of the employment relationship, and are strictly prohibited.

Sexual harassment is unique relative to other harassment in several respects. Traditionally, sexual harassment claims have been based on the premise that individuals with power over an employee's employment require sexual favors in return for job rewards. However, the legal definition of sexual harassment is much broader. For example, sexual harassment may exist where an employer tolerates an atmosphere allowing unwelcome flirtations or sexual advances even if this conduct was initially welcome by the employee, or even initiated by the employee. Liability may exist for conduct between the employer, or any

member of management and an employee, or between employees. To promote a work environment free of harassment, and to avoid the risk to the reputation and resources of CUI, all employees and members of management should refrain from any workplace behavior or conduct which could be viewed as sexual harassment or an invasion of one's privacy.

Every employee shall report each and every incident of sexual or other unlawful harassment promptly, first to the immediate supervisor, and/or to a member of management designated to receive such complaints. If the employee believes it would be inappropriate to contact that person, the employee should immediately contact any other employer representative. If this does not alleviate the reported problem, please contact the company president, Martin Rocha. Whenever possible, the employee should also submit a written summary of the problem so that CUI will have complete and properly documented information. This form is located at the end of this handbook and its use will be required when submitting the written documentation of the harassment. Employees can raise concerns and make reports without fear of reprisal or retribution.

All reports of harassment will be maintained in confidence to the extent possible. Employees may report harassment without fear of retaliation. CUI specifically prohibits any form of retaliation against person(s) reporting harassment or any other discriminatory conduct.

CUI will promptly conduct a thorough and unbiased investigation of all reports of harassment and other discriminatory conduct. Any employee who becomes aware of possible sexual or other unlawful harassment should promptly report it first to the immediate supervisor, or any member of management designated to take such complaints. Claims of retaliation will be promptly investigated. No one will be retaliated against for reporting discriminatory conduct. Anyone engaging in retaliation will be subject to disciplinary action, up to and including immediate termination of employment.

ANTI-RETALIATION POLICY

CUI is committed to providing a work environment in which employees may complain about alleged discrimination or other problems, including harassment, without fear of retaliation. CUI strictly prohibits any employee from discriminating against any employee because the employee has opposed any unlawful employment practice, or because the employee has made a charge, testified, assisted, or participated in any manner in an investigation, proceeding or hearing regarding such alleged practices.

Any employee who wants to report an incident of retaliation should promptly report the matter immediate to the supervisor in charge of that area or to the regional manager. If the employee believes it would be inappropriate to contact that person, the employee should immediately contact member of management or employer representative designated to receive such complaints. Whenever possible, the employee should also submit a written summary of the problem so that CUI will have complete and properly documented information. Employees can raise concerns and make reports without fear of reprisal or retribution. Anyone engaging in retaliation will be subject to disciplinary action, up to and including immediate termination of employment.

DRUG AND ALCOHOL FREE WORKPLACE POLICY

CUI is committed to protecting the safety, health, and well-being of its employees and all people who come into contact with its workplace and property, and/or use its services. CUI is also dedicated to providing a productive work environment to ensure efficient operations.

Recognizing that drug and alcohol abuse pose a direct and significant threat to this goal, CUI has adopted a policy of maintaining a workforce free of drugs and alcohol. CUI therefore strictly prohibits the illicit use, possession, sale, consumption, purchase, conveyance, distribution, or manufacture of illegal drugs, intoxicants, or controlled substances in any amount. In addition, CUI strictly prohibits an employee from having alcohol or controlled substances in his/her system without medical authorization during the employee's work hours, on the premises, or while on duty. There is to be absolutely no consumption of alcoholic beverages or any illegal substance on the premises of any location of Communications Unlimited, Inc. This

policy also includes the prohibition of any alcohol or drugs in any vehicle owned and operated by CUI.

In accordance with the Federal Drug Free Workplace Act, employees, and trainees must notify CUI of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction. A conviction means a finding of guilt (including a plea of *nolo contendere*) or the imposition of a sentence by a judge or jury in any federal or state court. Failure to timely notify CUI of a conviction for a criminal drug statute violation occurring in the workplace will be cause for the employee to be subject to disciplinary action up to and including immediate termination.

All employees are required to abide by this policy as a condition of further employment. Any violations of this policy shall result in adverse employment action up to and including immediate termination and referral for criminal prosecution.

All employees will sign a Consent for Drug Screening form as a condition of employment. Current employees will be required to sign the consent upon receipt of this handbook. Employees will be asked from time to time to submit to a drug screen to ensure adherence to this policy.

SAFETY

General Employment Safety

COMMUNICATIONS UNLIMITED, INC., (“CUI”) is committed to the safety of all our employees and recognizes the need to comply with regulations governing injury and accident prevention and employee safety. Maintaining a safe work environment, however, requires the continuous cooperation of all employees.

CUI will maintain safety and health practices consistent with the needs of our industry. If you are ever in doubt about how to safely perform a job, it is your responsibility to ask your manager or supervisor for assistance. Any suspected unsafe conditions and all injuries which occur on the job must be reported immediately. Compliance with these safety rules is considered a condition of employment. Therefore, it is a requirement that each supervisor make the safety of employees an integral part of her/his regular management functions. It is the responsibility of each employee to accept and follow established safety regulations and procedures.

PERSONAL TELEPHONE USAGE POLICY

Personal calls of short duration, i.e., 2-5 minutes, may be received and made at an employee's desk or work station. No long distance personal calls will be tolerated unless prior permission to make such a call is received from a supervisor, and the necessity is apparent. Personal telephone call privileges are subject to change or termination at any time. For instance, if you are found spending more than just limited time on personal calls, this privilege may be withdrawn. No collect calls will be accepted unless it is an emergency based and from a CUI employee.

USE OF COMMUNICATIONS UNLIMITED, INC. EQUIPMENT

The equipment used in accomplishing work is expensive and may be difficult to replace. Exercise care when using tools and equipment and follow instructions, maintenance requirements, and safety guidelines. Report damages or deterioration of equipment immediately to your supervisor or a member of management.

All company trucks will be properly maintained and kept properly organized and free from clutter and trash. Trucks shall be kept clean on the inside as well as the outside. No improper equipment shall be kept in company trucks. No alcoholic beverages or any illegal substances shall be kept in CUI trucks. This includes CUI owned trucks and trucks operated by our independent contractors.

You are responsible for all property, materials, or equipment issued to you or in your custody and control during your employment with CUI. Should you leave CUI for any reason, you are required to return all equipment to the company before you leave on your last day of work.

CRIMINAL BACKGROUND CHECKS

Every employee of CUI, whether full-time, part-time, volunteer, or consultant, will be subject to a criminal background check.

As part of this background check, CUI may request the disclosure of criminal convictions which are related to the applicant's job, except those which have not been expunged or sealed. However, a conviction or convictions may not necessarily be an absolute bar to employment. CUI will not request the disclosure of an applicant or employee's criminal arrest record. These records will be kept in strict confidence and are subject to a confidentiality agreement.

Please review carefully, sign, and immediately return to a member of management the accompanying Background Investigation Authorization, if you have not done so already.

Also, those employees or applicants who will be charged with the responsibility of driving company trucks will be asked to execute a "Driving Record Request Form" in order for driving records to be obtained. Further, these employees will be asked to submit to a non-invasive drug screen test provided at the expense of CUI. If you have any concerns, please contact corporate offices for more complete information.

WORKPLACE VIOLENCE PREVENTION POLICY

CUI is committed to maintaining a safe environment and preventing workplace violence. All employees should be treated with courtesy and respect at all times. Conduct that threatens, intimidates, or coerces another employee, a client, or a member of the public at any time will not be tolerated.

In an effort to prevent violence that may occur during business hours or on company premises, CUI has developed these guidelines to identify and define prohibited conduct, which includes, but is not limited to:

- Physically or verbally threatening another individual
- The intentional destruction or threat of destruction of company property or a co-employee's property while at work
- harassing or threatening phone calls or written communications
- stalking
- advocating or threatening the illegal use of weapons or bombs
- threats or attempts to commit suicide
- fighting
- horseplay
- advocating or threatening revenge based upon a workplace occurrence

Employees are prohibited from possessing firearms, weapons, knives and other dangerous instrumentalities or hazardous devices on CUI premises, including the parking lot, without proper authorization.

All threats of violence, violent acts, potentially volatile situations, and all conduct prohibited by this policy should be reported as soon as possible to any member of management designated to receive such complaints, the President or any other management official. This includes threats by employees, as well as threats by clients, vendors, solicitors, or other members of the public. Reports should be as specific and detailed as possible. Additionally, any emergency, crisis or situation posing imminent danger should be immediately reported to the immediate supervisors, Department Manager, Operations Manager, the President, or any other member of management.

CUI will promptly and thoroughly investigate all reports. The identity of the individual making a report will be protected as much as is practical. No person will be subject to retaliation or reprisal as a result of making a report. In order to maintain workplace safety and the integrity of its investigation, CUI may suspend employees, either with or without pay, pending investigation.

Anyone determined to be responsible for threats of violence, violent acts or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment. CUI encourages employees to bring their disputes or differences with other employees to the attention of the Director of Staff Development before the situation escalates into potential violence. CUI is eager to assist in the resolution of employee disputes, and will not discipline employees for raising such concerns.

REPORTING ARRESTS AND/OR TRAFFIC ACCIDENTS

Any employee who has been arrested or involved in a traffic accident involving a company vehicle must immediately report the incident, and any circumstances surrounding it, to the Director of Staff Development. Failure to comply with this policy may result in disciplinary action up to termination.

Traffic accidents must be accompanied with a report filed out stating where and when the accident occurred. If necessary, pictures of the scene must be taken.

SMOKING

It is the intent of CUI to create a smoke-free environment within the workplace. The hazards of smoking range from immediate reactions (eye irritation, headaches, and breathing difficulties) to long-term, serious effects (heart, lung and respiratory diseases) for the smoker as well as the non-smoker exposed to secondary smoke.

Some employees who already suffer from respiratory, heart and lung diseases or allergies may be particularly at risk in a smoke-filled environment. Therefore, smoking is prohibited in all CUI offices. This will eliminate an unnecessary toxic substance from our workplace. Employees who violate this policy on smoking will be subject to the same disciplinary actions that infractions of other CUI rules, up to and including immediate termination.

Our employees will be required to make use of all designated smoking areas. None of these designated areas will be out in front of the local premises of each location of Communications Unlimited, Inc. They will be usually located at the back of the offices away from public viewing.

While we do not prohibit our employees from smoking, you are advised to limit your smoking breaks to as few as possible and never when they interfere with work-in-progress.

DRESS CODE

Our employees have different levels of responsibilities and job duties. For the purposes of simplicity, our dress code will be divided into two categories: office staff and field employees. Please note that these requirements are subject to change without advance knowledge to our employees.

I. Office

All office employees should dress in a manner suitable for a business office. Personal appearance communicates to our clients, business associates, and the community the pride we have in ourselves and in CUI. Dress requirements will be business casual. This dress code applies to temporary employees, contract employees, and independent contractors.

1. Skirts, dresses, split skirts should be no more than three (3) inches above the knee.
2. Leggings, spandex pants, halter tops and midriff tops are not appropriate.
3. Blouses and tops should be appropriately styled. Low cut, scoop necked, or off the shoulder blouses are not professional. See-through dresses and blouses are not appropriate. Sleeveless dresses or blouses should look professional. The arm holes should be such that undergarments are not visible. Attire should not be worn where body tattoos are visible

- anywhere on the body.
4. No sweat suits, jogging or warm-up suits will be accepted.
 5. Shirts and blouses should be tucked into trousers and pants where appropriate.
 6. Athletic shoes are permitted, but not preferred, especially where safety is an issue.
 8. Blue jeans, skirts, and skorts which expose the torso are not acceptable business attire and shall not be worn. No low or hip riding skirts, skorts, or jeans will be tolerated. Jeans are not proper professional attire in our offices.

II. Field Employees

Field employees are those employees who work outside an office environment, ie, our installers and independent contractors.

9. Field employees are to wear company shirts, and clean, fitted pants. (not baggy, no holes).
10. Field employees are required to wear work boots.

COMPUTER USAGE

Software & File on Disk:

All software without exception must be scanned for viruses by the corporate offices before being loaded on any PC.

All disks (containing files for retrieval) received from sources outside of CUI must be scanned for viruses prior to opening the files on the disk.

All viruses should be reported to corporate offices immediately. This includes rumors or warnings received from external sources. Do not send warning messages office-wide regarding viruses. Managers will check the validity of the warning and will issue warnings, if necessary.

No software that is not properly licensed and registered may be loaded on any PC. All original software license agreements must be accessible at all times. If software is purchased, a copy of the software license must be sent to corporate offices. Before purchasing any software for use at the company, check with management to see if comparable software is already available. Software such as wallpaper, games, backgrounds, Real Player, sounds, screen mates, schemes, and screen savers may not be loaded. Every PC installed will have a Windows standard configuration for optimal processing speed and responsiveness. The CUI PC is networked and should not be considered as a personal or home computer.

Equipment & Maintenance:

1. Equipment may not be removed from the CUI premises under any circumstances (including laptops) without prior authorization of management.
2. Equipment purchased by CUI is the property of CUI and can be changed and/or relocated at CUI discretion. All equipment usage will be monitored and, if found to be insufficient to justify the equipment cost, equipment will be relocated.
3. Items such as speakers, sound cards, and non-standard mouse equipment will not be installed unless it is essential to conducting CUI business. Every PC installed will have the standard configuration for optimal processing speed and responsiveness.
4. Backup procedures of local hard drives are the responsibility of the user.
5. All PC malfunctions should be reported to the management immediately. If the malfunction does not impair the ability to use the equipment, management will schedule and coordinate repairs with the user. Repairs necessitated by misuse (e.g., spilled drinks, neglect to casing, etc.) or failure to comply

with any rule listed herein will be the responsibility of the PC user. Every effort should be made to keep the area surrounding the equipment clean and as dust-free as possible. This includes keeping food, drinks, etc. away from computers.

6. No hardware configuration changes may be made without prior approval of management.

Expectation of Privacy:

Employees should not assume that their communications via e-mail, voice mail, or the Internet are private - merely because they make use of passwords, "confidential" markers, or other access limiting devices. Employees are provided limited, authorized access to these communication systems, and CUI may, at any time, require access to these communications through the employee's passwords and/or codes. In order to assure compliance with CUI policies and/or investigate conduct or behavior that may be illegal or adversely affect CUI and/or the welfare of its employees, CUI may monitor e-mail, voice mail, and Internet communications to the extent permitted by the state and federal law. By using CUI's e-mail, voice mail, and Internet systems, employees knowingly and voluntarily consent to being monitored and acknowledge CUI's right to conduct such monitoring. Employees should also be aware that they have no rights to the contents of the e-mail, voice mail, or Internet systems once their employment has been terminated.

Guidelines for Use of CUI E-mail, Voice Mail, & Internet Service

As outlined in other sections of the Employee Manual, CUI expects all employees to display a high level of respect, courtesy, and professionalism when interacting with customers, as well as other employees. Although employees may be tempted to develop a casual attitude towards the content of e-mail, voice mail, and/or Internet generated communications (primarily because such communications tend to be more informal and spontaneous than those on paper), employees should avoid such tendencies. When using these systems, employees are expected to adhere to CUI's "content" guidelines. The following is a list of prohibited communications.

- Communications that may constitute verbal abuse, slander, defamation, or personal disparagement of employees, customers, vendors, or any other person or entity, including CUI and its individual work groups;
- Communications that can be considered harassing, vulgar, obscene, or threatening;
- Communications that disparage others based on race, national origin, marital status, sex, sexual orientation, age, disability, pregnancy, religious or political beliefs, or any other characteristic protected under federal, state or local law;
- Communications that contain sexually-oriented messages or images, unwelcome sexual advances, requests for sexual favors, or other unwelcome and inappropriate conduct of a sexual nature;
- Communications that contain copyrighted materials, including articles and software, in violation of copyright laws – these are particularly prevalent on the Internet;
- Communications that contain trade secrets, proprietary information, or any other confidential information – unless approved by CUI's office, including all CUI client lists and contact sheets.
- To the extent this section is consistent with federal law, and employee who creates, distributes, or solicits any of the aforementioned communications will be subject to disciplinary action, up to and including immediate termination of employment.

Acknowledgment Form/Policy Publication:

All employees may be required to sign and date a form entitled, "Acknowledgment Regarding E-mail, Voice Mail and Internet Usage", after receiving and reviewing a copy of CUI's policy on this subject. By signing this form, the employee acknowledges that (s)he has read, understood, and agrees to be bound by CUI's policy. Periodically, as a means to refresh employee's memories and understanding of CUI's guidelines, CUI may distribute a written, personal copy of the policy to all employees for their review and signature. Any questions or concerns regarding this policy should be directed to CUI's management.

WORKPLACE RULES OF CONDUCT

CUI has always maintained the highest standards of public service. In so doing, all CUI employees are expected to respect the dignity of each individual when interacting with a member of the public, our clients and customers, and/or with each other.

To assure orderly operations and provide the best possible work environment, CUI from time to time establishes general work rules. Although it is not possible to list all the forms of behavior what are considered unacceptable in the workplace, the following are examples of the type of infractions which can result in disciplinary action up to and including immediate termination. In order to avoid such severe consequences, just follow simple common sense, read and understand this list of examples, and ask management before engaging in any questionable activity. Many of these policies and rules are outlined elsewhere in this manual.

- Insubordination or lack of cooperation;
- Failing to follow instructions of, or to perform work requested by management; this includes being assigned duties which occasionally fall outside the general job description;
- Failing to meet CUI's measure of efficiency and productivity, or otherwise unsatisfactory job performance and/or repeated substandard work;
- Unauthorized or excessive absences from work (including failure to report for work, late arrival, early departure or unauthorized absence from duty); and failure to call in on a timely manner;
- Excessive break time or repeatedly attending to personal affairs on work time;
- Abusing, damaging, wasting, stealing or inappropriately removing or possessing CUI property, CUI records, or the property of any CUI employee or non-employee.
- Falsifying your employment application or making misrepresentations on any other personnel records.
- Falsifying CUI reports or committing fraud with regard to any records (including time sheets, expense accounts, etc);
- Violating CUI personnel policies;
- Smoking in unauthorized areas;
- Theft or inappropriate removal or possession of CUI property;
- Disclosing confidential CUI information without authorization; or that of its clients
- Performing work other than CUI assignments during working hours;
- Sexual, racial or unlawful harassment;
- Failing to notify CUI of an accident as soon as possible;

Employees are reminded that even though they may be subject to disciplinary action up to and including

termination for the violation of these workplace rules, given the at-will-nature of the employment relationship at CUI, no reason is needed for the termination of employment.

CHANGES IN PERSONAL DATA

It is very important for an employee to inform immediate supervisors or management *in writing* of any changes in his/her name, address, telephone number, number of dependents, emergency contact person, and driver's license status. By doing so, personnel information will always be up-to-date and this will help CUI in handling benefits, pay, and other matters important to an employee and his/her family.

WORK SCHEDULES

The normal work schedule for all clerical employees is eight (8) hours per day, five (5) days per week. Normal work hours are set at the local branch offices and continue until the job gets done if you are paid by piece work rates. However, if it suits your assigned supervisor your hours may be adjusted. This must be approved by the immediate supervisor or Regional Management. Staffing needs and operational demands may also necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

Field employees will work hours as required by their managers and supervisors.

If for any reason an employee is unable to work at his/her designated time, (s)he must telephone or otherwise notify his or her immediate supervisor and/or the Regional Manager in that department prior to that starting time. Failure to do so may result in disciplinary action, up to and including immediate dismissal.

STAFF TIMEKEEPING

Non-exempt employees should punch the time clock as they begin work each day, at the beginning and end of their meal period, and at the end of each work day. Also, employees should punch the clock for breaks that last longer than fifteen (15) minutes or if the employee leaves the office for doctors appointments or other personal reasons. Altering, falsifying, tampering with time records, or otherwise failing to comply with this policy may result in disciplinary action, up to and including termination of employment.

If an employee fails to clock in or out at the appropriate time, or if errors occur during clocking in or out, the employee should contact the immediate supervisor or management to initial the time cards and note the errors.

Each employee must punch his own personal time card. No employee shall be allowed to punch a time card for any other employee. Failure to follow this policy will result in immediate termination.

MEAL & REST PERIODS

All full-time employees are provided with one (1) meal period each work day. Immediate supervisors and management will schedule these times to accommodate operating requirements.

Each employee is expected to take at least thirty (30) minutes, but no more than sixty (60) minutes, for the meal period. Employees are relieved from any job duties during the meal period and will not be compensated for that time

The Fair Labor Standards Act (FLSA), as amended, does not require breaks to be given.

OVERTIME

Employee Status:

Employees may be required to work overtime from time to time, and all employees may perform such overtime when, and only when, specifically instructed to do so. Each employee is designated as either NON-EXEMPT or EXEMPT from the Fair Labor Standards Act (FLSA) provisions governing overtime compensation.

ALL OVERTIME MUST BE PRE-APPROVED BY MANAGEMENT BEFORE IT IS PAID.

Calculating Overtime:

Non-exempt employees are paid at a rate of one and one half (1 ½) times the regular rate of pay for all hours worked in excess of forty (40) hours in a work week.

Submitting Overtime/Record Keeping:

If an employee is **authorized** to work overtime, the employee must submit his or her time card as a written record signed by their supervisor or management of the approved overtime.

Timekeeping:

Non-exempt employees must follow the timekeeping provisions set forth in the timekeeping policy of this manual, subject to the exceptions set forth in that policy. Failure to do so may result in disciplinary action.

EMERGENCY CLOSING PLAN

Regarding snow and ice days, if our area has ice, snow, or **some other weather-related** event which results in hazardous driving conditions, employees are expected to use good sense and discretion in trying to come to work. In our industry, these hazardous weather days are very busy times for us and you are charged with the responsibility of trying to report to work. However, if it is impossible to do so, please call the appropriate supervisor as soon as it is practicable to do so.

PAYROLL INFORMATION

The pay period at CUI is bi-weekly. Changes will be made and announced in advance whenever CUI holidays or closing interfere with the normal pay schedule. **Employees are asked to inspect their paystubs carefully. If a mistake is discovered, an employee should contact the appropriate supervisor or manager of CUI immediately.**

Certain deductions from your paycheck are required by law, including federal and state income taxes and FICA (social security). An employee may authorize in writing additional deductions from his/her paycheck. It is the employee's responsibility to be certain that all such deductions are correct.

EMPLOYEE BENEFITS

Eligible employees at CUI are provided a wide range of benefits. A number of the programs such as Social Security, workers' compensation, state disability, and unemployment insurance cover all employees in the manner prescribed by law.

Benefit eligibility is dependent upon a variety of factors, including employee classification. The Staff Development Department can identify the programs for which you are eligible.

The following benefit programs are available to eligible employees:

Workers Compensation
Holidays
Health Insurance
Personal Leave
Sick Leave Benefits
Vacation Benefits

Some benefit programs may require contributions from the employee, either in part, or, in whole. Please consult the benefit plan document or the appropriate staff member designated to receive such inquiries regarding each identified plan for specific details.

PAID TIME OFF

Paid time off under time policy may be used for instances such as vacation, medical reasons (i.e., personal, spouse, parent, child) or other personal business. This policy applies only to full-time employees.

The amount of paid time off which any employee may receive in one calendar year increases with the length of employment as shown with the following schedule:

1. After one (1) year of service from an employee's anniversary date - 40 hours (5 days)
2. After three (3) years of service from an employee's anniversary date - 80 hours (10 days)
3. After six (6) years of service from an employee's anniversary date - 120 hours (15 days)
4. After (15) years of service from an employee's anniversary date - 200 hours (20 days)

When an employee has met the eligibility requirements, submit a vacation request form to the appropriate manager to schedule paid time off. Requests are evaluated based upon various factors, including anticipated operating requirements and staffing consideration. Paid time pay is based upon the employee's pay rate in effect when vacation is used and does not include bonuses or other special forms of compensation. *Vacation time is either used or lost. It does not roll to the next calendar year.*

PAID HOLIDAYS

New Year's Day - January 1st

Thanksgiving Day

Christmas Day

FAMILY AND MEDICAL LEAVE ACT OF 1993 ("FMLA")

Employees who are eligible under the Family and Medical Leave Act of 1993 ("FMLA") may take leave for up to 12 work weeks during a "rolling" 12-month period measured backward from the date an employee uses any FMLA leave for any one or more of the following reasons:

1. The birth of the employee's child, and to care for the newborn child during the first year after the birth;

2. The placement with the employee of a child for adoption or foster care, and to care for the newly placed child during the first year after the placement;
3. To care for the employee's spouse, son, daughter, or parent (but not for parent-in-law), who has a serious health condition; or
4. Because of a serious health condition that makes the employee unable to perform one or more of the essential functions of his/her job.

NOTE: The definition of a "serious health condition" is attached to the medical certification form available from CUI.

CUI requires employees to first use any accumulated, but unused, leave which will run concurrently with some or all of the 12-week FMLA leave entitlement. Any FMLA leave taken for a single condition usually must be taken all at one time. An employee may take FMLA leave intermittently or by reducing his/her work schedule to care for a family member with a serious health condition or the employee's own serious health condition only if medically necessary.

CUI may require the employee to provide medical certification of the serious health condition from the attending health care provider. The certification must be submitted within 15 calendar days after CUI requests it. Failure to provide the certification in a timely manner may result in denial of taking leave and/or discipline up to and including termination. Copies of the appropriate medical certification form are available from CUI. CUI may require, at its discretion and expense, a second medical opinion. CUI may require periodic re-certification on a reasonable basis. While on FMLA leave, the employee is required to report monthly on the status of the condition and/or intention to return to work. CUI may also require, as a condition of reinstatement, certification from a health care provider that the employee is able to resume work.

During FMLA leave, CUI will maintain the employee's group insurance benefits at the same level and under the same conditions as if the employee had been actively working. If an employee fails to return to work at the conclusion of the approved leave, (s)he may be required to reimburse CUI for the employer's portion of the premium paid on his/her behalf during the leave.

The employee must give CUI thirty (30) days advance notice of the need for leave when it is foreseeable, such as for an expected birth, placement for adoption or foster care, or planned medical treatment for a serious health condition of the employee or of a family member. If thirty (30) days notice is not practical, such as a medical emergency, notice must be given as soon as practical, which ordinarily means at least verbal notification to the employer within one (1) or two (2) business days of when the need for leave becomes known to the employee. Reasonable efforts must also be made to schedule foreseeable leave so as not to unduly disrupt operations, subject to the doctor's approval.

To be eligible for the leave, an employee must:

1. Have been employed by CUI for at least one (1) year as of the date leave commences;
2. Have worked for CUI at least 1,250 hours in the past twelve (12) months; and
3. Be employed at a work site, at which CUI employs more than fifty (50) employees - or where the total number of employees within 75 miles of the work site is more than fifty.

Upon timely return from FMLA - qualifying leave and proper certification, an eligible employee who has not been designated a "key" employee by CUI, will be restored to his/her last position as an employee or an equivalent position with equal pay, benefits, and other conditions and terms of employment. A "key" employee is a salaried FMLA - eligible employee who is among the highest paid 10% of employees.

An employee has no greater right to reinstatement or other benefits than if (s)he had not taken FMLA leave.

Therefore, if in the absence of FMLA leave the employee would have been terminated, (s)he may be entitled to reinstatement.

Direct any questions regarding eligibility, definitions, or requirements of the FMLA to the office manager. It is unlawful for an employer to interfere with, restrain, or deny the exercise of any right provided by FMLA. It is also unlawful for an employer to discriminate against an individual for opposing any practice, or because of involvement in any proceeding, related to FMLA.

NOTE: FMLA leave is unpaid and runs simultaneously with the company's major medical leave. Refer to the terms of the current major medical leave policy for information regarding paid leave for employee's major illness. FMLA leave will continue until the employee returns to work or at the end of twelve (12) weeks, whichever comes first.

JURY DUTY

CUI encourages employees to fulfill their civic responsibilities by serving jury duty when required. The leave will be paid.

Employees must show the jury duty summons to the immediate supervisor, then Regional Manager as soon as possible so that arrangements can be made to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

TIME OFF TO VOTE

CUI encourages employees to fulfill their civic responsibilities by participating in election. Generally, employees are able to find time to vote either before or after their regular work schedule. If employees are unable to vote in an election during their non-working hours, the company will grant up to two (2) hours of paid time off to vote.

Employees should request time off to vote from their supervisor, or from management at least two (2) working days prior to the election day. Advance notice is required so that the necessary time off can be scheduled at the beginning or end of the work day, whichever provides the least disruption to the normal work schedule.

BEREAVEMENT LEAVE

Recognizing that a time of bereavement is very difficult, every effort will be made to ensure that a bereaved employee is able to attend to family matters. Employees should notify their supervisors or managers of their situation immediately.

Absence due to a death in the immediate family will be paid to full-time employees for up to two (2) business days. The immediate family is the employee's parents, spouse, child, sibling, grandparents, grandchildren, spouse's parents, children or siblings.

Any available paid time can be used at this time with the approval of your manager. Additional unpaid time off will be granted to the extent practicable, to allow for any arrangements associated with the death that must be made.

Funeral leave pay will only be extended to employees for actual time spent away from work for the funeral or its arrangements. For example, if the death occurs at a time when work is not scheduled, payment will not be made. If a holiday or part of your vacation occurs on any of the days of absence, you may not receive paid time off in addition to paid funeral leave.

MILITARY LEAVE

Military leave is granted by the company in accordance with applicable federal and state law. Employees who

are members of the reserves or National Guard may take an unpaid leave of absence for field or coast defense or other military training duty. Employees who enter active military service in the Armed Forces or who are ordered for a initial period of active duty for training in the Reserves or the National Guard are also entitled to leave on an unpaid basis.

Eligible employees returning to work from military service or training are guaranteed job restoration. To be eligible, the employee must seek reinstatement within the time limits established by federal law (see chart below) and be qualified for work.

Length of Duty

1 to 30 days

31 to 180 days

180 or more days

Time Limits to Return

First work day after 8 hours after return home

Within 13 days after service completion

Within 90 days after service completion

Time limits to return may be extended for up to two (2) years if needed due to a service-connected disability. The company will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. Reasonable efforts will also be made by the employer to retrain/upgrade as required by federal law.

While on military leave for less than 31 days, the company, will maintain the employee's group insurance benefits at the same level and under the same conditions as if the employee has been actively working. If military leave exceeds 31 days, the company reserves the right to cease making premium payments on the employee's behalf during the leave; however, the employee has the option to continue coverage at his/her expense for up to 18 months. If coverage is discontinued, upon his/her return to work the employee's group insurance benefits will be reinstated at the same level and under the same conditions as if the employee had been actively working with no waiting period of exclusion of pre-existing conditions, except for service-connected disabilities.

CUI is committed to complying fully with the Uniformed Services Employment and Re-employment Rights Act and ensuring equal opportunity in employment for qualified persons with military obligation. All employment practices or activities are conducted on a non-discriminatory basis.

BENEFITS CONTINUATION UNDER COBRA

The federal Consolidated Omnibus Budget Reconciliation Act (COBRA) gives employees and their qualified beneficiaries the opportunity to continue health insurance coverage under the company's group health plan, at the employee's own cost, when a "qualifying event" would otherwise result in the loss of eligibility. COBRA rights could continue for a period of up to thirty-six (36) months. Some common qualifying events are resignation, termination of employment, a reduction in an employee's hours, death of an employee, an employee's legal separation or divorce, an employee's entitlement to Medicare, or a dependent child no longer meeting eligibility requirements.

Under COBRA, the employee or beneficiary pays the full cost of coverage at the group rate plus a two (2%) percent administration fee (102%). CUI will provide each eligible employee with a written notice describing rights granted under COBRA when the employee becomes eligible for COBRA coverage. The notice contains important information about the employee's rights and obligations. In some cases, the employee may be able to convert the group coverage to individual coverage. Please contact Staff Development Department regarding specific details about COBRA benefits and obligations.

Your or your qualified dependents must make written election within thirty (30) days upon receipt of your COBRA notification. Premium payments are due by the 1st day of each month to ensure continuing coverage.

If payment is not received, it will be assumed that COBRA coverage will no longer be needed and coverage will be cancelled.

SOCIAL SECURITY

All employees are covered by the federal Social Security Act with CUI and the employee paying equal portions of the contribution under the Social Security Act. The employee's required percentage is deducted from his/her wages each pay period. CUI makes an equal contribution and sends the total (employee and employer contribution) payment to the District Director of Internal Revenue Service. Social Security payments made by CUI are not subject to Federal or State Income Tax. The plan is designed for the employee's and his/her dependents' future security and provides for retirement, disability, death, survivor, and Medicare benefits.

UNEMPLOYMENT COMPENSATION BENEFITS

CUI is covered by the applicable state unemployment compensation laws implemented by the state where each branch or office is located. These laws may vary from state to state. Contact your supervisor or management if there are questions concerning the unemployment compensation laws in a particular state. This government-operated system of insurance is intended to protect employees against the complete loss of income during temporary periods of unemployment by providing a weekly cash benefit to eligible employees who are not otherwise disqualified from receiving all or a portion of the benefits. The eligibility requirements and a list of reasons for disqualification are set out in the law. Employees do not pay any part of the fund that provides this benefit.

WORKERS' COMPENSATION

CUI provides a comprehensive workers' compensation insurance program at no cost to employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance provides benefits after a short waiting period or, if the employee is hospitalized, immediately.

Employees who sustain work-related injuries or illnesses should inform their immediate supervisors to **fill out a First Report of Injury**. This is a critical requirement for our insurance coverages. If the injured employee is not able to fill out the report personally, the responsibility falls to supervisor to **immediately complete the injury report and forward it to corporate offices**. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible. CUI is at risk and subject to a fine if this procedure is not followed, as there is a time limit for reporting injuries. Additionally, failure to notify your employer of a work-related injury could result in a denial of workers' compensation benefits. It is the main responsibility of the injured employee, to the extent possible, to fill out the "First Report of Injury" form and have it send to corporate offices for record keeping and perusal.

In the event of an accident or injury, an employee should have a First Report of Injury form completed and signed by both the employee and the immediate supervisor. The report should be turned into the corporate offices immediately. The immediate supervisor shall immediately deliver the First Report of Injury form to the employee designated to receive such reports. If you deem the injury not to be severe enough to warrant a doctor's visit, you must fill out the bottom of your first report stating that a visit to the doctor is not necessary. You will also need to sign the form, and obtain the signature of your immediate manager.

Workers' Compensation benefits are paid at the rate of two-thirds (2/3) of the employee's normal income. These workers' compensation benefits do not begin until three (3) days of work are missed due to the compensable injury. The company will pay the injured employee their regular rate of pay during that initial three-day period. Again, some states will vary in the percentages paid to injured employees. Please check with corporate offices for more accurate information.

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

CUI will select and designate a health care provider and an Emergency Room facility to provide care and treatment to its employees. The designated health care provider shall be a licensed physician who will provide initial care and treatment of non-life threatening job related injuries or illnesses. The Emergency Room is to be used in life threatening emergencies and severe injuries. No physician, medical group, clinic or medical service provider other than CUI designee is authorized to provide initial services for job related injuries or illnesses. Other providers may be authorized under certain circumstances. **Unauthorized use of other providers may result in the loss of coverage and could result in loss of Workers' Compensation benefits for Classified regular employees.**

When an employee wishes to return from his/her Workers' Compensation leave, CUI requires that a employee provide CUI with a physician's statement specifying that the employee is fit to return to work (i.e., a work release). Failure to provide all required paperwork may result in denial of continuation of leave, or a delay in reinstatement until the required paperwork is received. If an employee fails to accept an offer in reinstatement to a position offered by CUI at the end of such leave of absence, the employee will be deemed to have voluntarily resigned. If the employee's position is still open, (s)he will generally be returned to it. If not, CUI may offer the employee another open position for which the employee is qualified.

If the employee fails to report to work at the end of his/her approved Workers' Compensation leave, or if the employee is working or employed by another employer during the Workers' Compensation leave, employment with CUI will be considered voluntarily terminated, not in good standing.

Most state Workers' Compensation laws provide that no compensation shall be allowed for any accident or death resulting from an employee being intoxicated from the use of alcohol or being impaired due to the use of illegal drugs. The governing statute further provides that a positive drug test which is conducted in accordance with standards adopted by the U. S. Department of Transportation (49 C.F.R. § 40) shall be considered a conclusive presumption of impairment resulting from the use of illegal drugs. Furthermore, compensation will be disallowed if an employee refuses to submit to or cooperate with a blood or urine test after an accident after being warned in writing by the employer that a refusal will result in a forfeiture of the employee's right to recover benefits under the Workers' Compensation statute. See §25-5-51 (Ala Code 1975) as an example. This policy constitutes CUI's warning of the forfeiture of the right to recover due to impairment.

REIMBURSEMENTS

CUI will reimburse employees for reasonable business and/or travel expenses incurred while on assignments away from the normal work location or area. All business travel must be approved by the appropriate employee designated to approve such reimbursement.

Each employee or independent contract will be liable for their personal expenses incurred by the company. These expenses will be payroll deducted until the full amount has been reimbursed to the company. The company will in no way be responsible for expenses not directly related to company business. It will be up to the individual employee to keep receipts for expenses incurred on behalf of CUI and be ready to present them for purposes of reimbursement.

JOB DESCRIPTIONS

Upon employment with CUI, each employee will be given a *general job description*. This job description is not designed to encompass all the required duties of our employees. In the spirit of teamwork, each employee is expected to perform tasks requested of them to achieve our overall goals of success. Job descriptions may evolve and change over the progression of time and without prior or advance notice to our employees.

INVOLUNTARY TERMINATION OF EMPLOYMENT

An employee of CUI can be discharged at any time if the employee commits an offense for which immediate termination is appropriate, or if in the judgment of the immediate supervisor and regional manager, the

employee's continued presence would be contrary to the well being of CUI and/or any other person. Even so, immediate termination is a serious course of action and will generally be used only when it is clear that less drastic action will not serve the same purpose or the best interest of all concerned. Managers have the discretion to determine whether one or all of the following actions may be used, extended, or not used, on a case-by-case basis. When an employee violates a rule and CUI decides against immediately terminating the employee, any of the following alternative disciplinary actions may be used as deemed appropriate:

PROGRESSIVE DISCIPLINE POLICY

I. Step One: Verbal Counseling

An informal memorandum describing an incident of complaint of work deficiencies may also be placed permanently in the employee's personnel file. A warning period may also be imposed on an employee after counseling for work deficiencies. This period will allow the employee time to improve and will assist CUI in determining whether continued employment is in the best interest of the employee and CUI. If additional violations are committed, or the employee's performance does not improve to an acceptable level, and, in the judgement of CUI, additional preliminary warnings are not warranted, the employee may be involuntarily terminated.

II. Step Two: Written Warning

A formal written warning to the employee explaining the nature of the complaint, noting any previous violations by the employee, and warning the employee that any further violations could lead to discharge. A copy of the written warning should be placed in the employee's personnel file. If additional violations are committed, or the employee's performance does not improve to an acceptable level and, at the discretion of CUI, additional preliminary warnings are not warranted, the employee may be involuntarily terminated.

III. Step Three: Termination

An employee of CUI may be dismissed at any point during the disciplinary process without advance notice. The existence of a verbal or written warning or designation of a probationary period does not give the employee the right to continued employment for any specified period of time. Documentation related to events leading to the termination as well as the exit interview report will become a permanent part of the employee's personnel record. All collected documentation of events leading to the termination will be maintained.

IV. Last Chance Agreements

At the discretion of management, employees may be issued a Last Chance Agreement. This agreement is between an employee subject to termination and CUI. This agreement will give the employee one final chance to improve his or her work performance before termination. Once this agreement is signed, and the employee fails to improve his work to a satisfactory level, termination will take place. This agreement is not applicable in all areas and is left to the discretion of management.

Keep in mind that CUI has no obligation to use any one or more of these forms of discipline prior to discharging an employee. Any or all of these steps can be omitted as CUI deems appropriate, at its discretion. These alternative disciplinary steps in no way alters the at-will nature of the employee's employment.

Moreover, by establishing this disciplinary procedure CUI is not relinquishing or limiting its managerial right to discharge an employee for any reason or no reason at all, at any time, with or without advance notice.

PERFORMANCE APPRAISALS

While you are urged to discuss your performance and goals with your manager informally on a regular basis,

your manager will schedule a formal appraisal discussion with you at least once a year. Performance issues also may be discussed at a time to be determined by your manager if you are being considered for promotion or transfer. All new employees receive a performance appraisal and review of their performance from their immediate supervisor upon completion of the first 90 days of employment.

All CUI employees are reviewed annually around the time of their anniversary dates. This annual review is comprised of several factors, including, but not limited to:

1. Self evaluation - you will be given a self evaluation form to complete concerning your own assessment of your progress
2. Evaluation by manager
3. Goal setting
4. Achieving planned goals

During the formal review process, your manager will cover the following areas:

1. The quality and quantity of your work
2. Strengths and areas for improvement
3. Attitude and willingness to work
4. Initiative and teamwork
5. Attendance
6. Customer service orientation
7. Problem solving
8. Ongoing professional growth and development

Performance evaluations give the employees the opportunity to discuss duties and responsibilities with management and to also learn how management views your progress at CUI. This process also gives the employee the opportunity to ask questions, learn about the objective to be achieved, and explore directions for your career.

Employees must sign their evaluations. This does not indicate that the employee agrees with everything on the evaluation, just that the evaluation was performed. There will also be the opportunity to dispute what is written on the evaluation form. All evaluations will be kept in the employee personnel files.

If you feel like your evaluation has been delayed, please contact your immediate supervisor or Regional Manager and request that one be given you. As soon as practicable, one will be scheduled.

EMPLOYMENT TERMINATION

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated:

6. Resignation - voluntary employment termination initiated by an employee.

7. Discharge - involuntary employment termination initiated by the company.
8. Layoff - involuntary employment termination initiated by the company for non-disciplinary reasons.
9. Retirement - voluntary employment termination initiated by the employee meeting age, length of service from the company.

CUI will generally try and schedule exit interviews at the time of employment termination. The exit interview will afford an opportunity to discuss such issues as employee benefits, conversion privileges, repayment of outstanding debts to CUI, or return of CUI owned property. Suggestions, complaints, and questions can also be voiced.

Since employment with CUI is based on mutual consent, both the employee and CUI have the right to terminate employment at-will, with or without cause, at any time. Employees will receive their final pay in accordance with applicable state law. **If there is retainage due an employee, the first 50% of monies due will be paid after ninety (90) days, with the remainder paid in full after 180 days.**

Employee benefits will be affected by employment termination in the following manner. All accrued, vested benefits that are due and payable at termination will be paid. Some benefits may be continued at the employee's expense if the employee so chooses. The employee will be notified in writing of the benefits that may be continued and of the terms, conditions, and limitations of such continuance.

Please remember that upon termination of employment, if you have any outstanding loans with CUI, any accrued benefits pay (vacation pay, etc.) you have accumulated will be applied to the outstanding balance in existence. Should such accrued benefits not be of sufficient amount to eliminate the outstanding balance, a repayment plan shall be agreed upon, prior to final separation for the remaining unpaid balance.

You should also be aware that even if an employee is unable to meet for an exit interview prior to the termination of employment, the employee is nevertheless required to return all CUI property, and pay back all loan balances or advances.

REFERENCE INQUIRY RESPONSES

CUI will not provide employee information to outside agencies except upon written authorization of the employee or as provided by law. However, under no circumstances will CUI verify employment over the phone. All requests for employment verification must be received by management and/or the President in writing. Our standard credit or other reference letters are limited to confirming the dates of employment, job title, and current rate of pay. CUI does not provide letters of recommendation.

Corporate office staff is the only people authorized to disclose information. Any phone calls or written inquiries seeking such information should be directed to the corporate offices. Most banks, credit agencies, and other parties requiring employment information will provide you with the appropriate form.

EXIT INTERVIEW

Immediate supervisors, Regional Managers or any corporate employee may schedule an exit interview with an employee before termination become effective. The purpose of this interview is to ensure the termination is not based upon a misunderstanding. If the termination is pursuant to disciplinary action, all events leading to the termination should be documented in a report. Review of the employee's eligibility for employment benefits and arrangement of final pay shall be conducted at this time and summarized in the report. A copy of the exit interview report will be placed in the employee's personnel file.

RE-EMPLOYMENT

An individual terminating employment in good standing is one whose employment relationship with CUI ended under favorable conditions. An individual terminated in good standing may be re-employed at a later date. However, re-employment is based on the same needs and qualifications which apply to any other applicant.

ALTERNATIVE DISPUTE RESOLUTION PLAN

CUI firmly believes that most employee disputes may be handled within the company. This belief is reinforced by providing to our employees several alternative dispute resolution plans which are listed in no particular order of progression:

1. **Staff Meeting** - this is an informal meeting with the aggrieved employee, the regional manager, and the local manager along with the President of the Company or a representative from corporate offices. In order to activate this process, the employee simply fills out the form, (a copy of which is attached in this handbook) and faxes, hand delivers, or in some way sends the request to corporate headquarters. The aggrieved employee will then be contacted for a conference to discuss the complaint and a meeting will be set up. There will then be a round-robin discussion of the problem and possible solutions. The employee has the freedom to bring with him or her a representative of his or her choosing to this meeting.
2. **Mediation** - this is an informal meeting where both parties present their sides of the employment dispute to a third-party mediator who is not employed by CUI. This mediator will attempt to conciliate the dispute and work out an amiable solution to the alleged grievance brought to the attention of the company. This is not binding and if a solution is not to the liking of either or one of the parties, then the agreement is not enforceable. To activate this request, as in ¶ 1, simply fill in the form and turn it in to the company and await to be contacted.
3. **Arbitration** - this is a formal hearing in front of a licensed arbitrator not directly employed by CUI. The arbitrator will conduct this complaint as if he/she were a judge and the rules will follow, to the extent practicable, rules of civil procedure. There will be discovery conducted, depositions taken, and a arbitration hearing (in the format of a trial) will take place. The decision of the arbitrator will be binding. There is a fee to activate this process. The employee must pay a \$150.00 (One Hundred Fifty Dollars and no cents) filing fee to CUI to begin this process and the forms are available at Corporate headquarters in Birmingham, Alabama. CUI agrees to pay the rest of the costs of arbitration under this agreement.

As a condition of employment, each employee must sign the agreement to arbitrate their employment disputes which is attached to the next page of this handbook. The page will be torn out and placed in each employee personnel files.

Agreement to Submit Employment Disputes to Arbitration

My name is _____. I hereby agree to submit to arbitration all my employment disputes which may arise during or after my employment with Communications Unlimited, Inc. I understand that I will be expected to pay the cost of the filing fee for this arbitration.

Print Name legibly

Employee Signature

Date

NOTES

EMPLOYEE ACKNOWLEDGMENT OF RECEIPT OF HANDBOOK

Each employee will be required to sign the following "Employee Acknowledgment of Receipt of Handbook" when the handbook is distributed by their managers. By signing this receipt, employees will be acknowledging that, not only have they received a copy of the handbook, but they have accepted the responsibility of receiving the policies contained within the handbook as well.

A copy of this receipt will be retained in each employees personnel file.

I, _____, an employee of Communications Unlimited, Inc. do hereby acknowledge that I have received a copy of the Employee Handbook from Communications Unlimited. By signing this acknowledgment, I assume the responsibility of reading its contents and becoming familiar with the policies contained in it.

I also am aware that a copy of this receipt will be maintained in my personnel file.

Print Name Legibly

Signature

Date

Manager

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